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ABSTRACT

This handbook provides guidance on applying and gaining apportionment for public school construction in California; the procedures for site selection, and the development of cost estimates and construction plans; and guidance on preparing for the construction phase and bid approval. Final sections cover change orders and the close-out audit of expenditures. Appendices provide information on the 50/50 program, cost sharing, the restricted maintenance account, transfer of apportionment, seismic retrofit, reimbursements, hardship status, construction management, abandonment and/or rehabilitation, environmental impact documents, geographic adjustment factors, and Disabled Veteran Business Enterprise Contract Participation Goal. (GR)

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Office of Public School Construction Applicant Handbook

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Planning Phase (Phase P)

Eligibility Overview

Introduction

This section focuses on the preparation of application packages for Phase P approval and/or apportionment. Eligibility is determined with the following elements:

- projected enrollment
- existing adequate area
- eligible area for new construction or modernization.

Documentation Required

Application packages must include the following four forms in order to be considered a complete submittal:

- *Projected Average Daily Attendance* (Form SAB 411)
- *Classroom Loading Summary* (Form SAB 600S) (one for each existing school)
- *Justification Document - New Construction and Modernization/Reconstruction* (Form SAB 600)
- *Application For Apportionment* (Form SAB 506) (one for each project)

The application package and forms are available through the Office of Public School Construction (OPSC) or via the internet at www.dgs.ca.gov/opsc/forms.htm.

It is the goal of the OPSC to process the application to the State Allocation Board, (SAB) for approval within 60 days of receipt. Please contact the Eligibility Supervisor if your application does not get processed in this timeframe.

Application Submittals

Districts should not submit an application unless it is complete or it may be returned to the district.

Districtwide vs. High School Attendance Area

A unified school or high school district may file an application for new construction or modernization under a High School Attendance Area (HSAA) basis.

In this Section

This section discusses the following topics/subtopics:

TOPIC/SUBTOPIC	SEE PAGE
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Projected Average Daily Attendance - Form SAB 411

Introduction

The applicant district must provide historical and current enrollment data that allows for an estimate of the district's future pupil population. The projection is used in the preparing of the *Justification Document- New Construction and Modernization/Reconstruction* (Form SAB 600) for determining the district's eligibility under the Lease-Purchase Program. The district's enrollment is certified on the *Projected Average Daily Attendance* (Form SAB 411) using either California Basic Education Data System (CBEDS) or sixth month of school year (Spring) enrollment data. The enrollment reported may only include those students who attend in the school district.

In addition to reporting historical enrollment information, the Form SAB 411 permits the district to record information impacting the district's enrollment resulting from prison construction or new housing development construction.

Availability

The Form SAB 411 is currently available on the Internet at www.dgs.ca.gov/opsc/forms/htm and is capable of computing the district's projected enrollment. If the district does not have access to the Internet, please contact the OPSC Eligibility Supervisor for a copy of the excel version of the Form SAB 411 program on a 3 ½ inch diskette.

For those districts which cannot access the internet nor have access to the excel program on an IBM compatible computer, please contact OPSC for a paper copy of the Form SAB 411.

Projected ADA

The Form SAB 411 provides the following three projection of Average Daily Attendance (ADA):

1. One year projection (utilized for State Relocatable Classroom Program).
2. 3/4 year projection (for either 100% or 50/50 State funded projects).
3. 5/6 year projection (for either 50/50 state funded projects or Advance Site and Plans applications). ❦

New Housing Development Augmentation

Introduction

Commonly called the House Count Augmentation, the district estimates the number of students (student yield factor) to be generated by a new housing development and these students are factored into the enrollment projection of the district. See the Application Package for additional details.

SAB Yield Factor

The SAB yield factor for housecount purposes are as follows:

DISTRICT TYPE	YIELD FACTOR
Elementary School District	.5
High School District	.2
Unified School District	.7

Alternative Yield Factor

The district may, as an option, use its own student yield factor to determine the impact of new housing developments in the district. The factor must be supported by a student yield factor report that is less than one (1) year old. Please leave this item blank if you wish to use the SAB Yield Factor.

Housing Unit Defined

A housing unit is any residential unit for which a construction permit has been issued for street and utility improvements. In addition, any fully constructed unit that has never been occupied qualities as a housing unit for augmentation purposes.

Housing Unit Documentation

The district must submit the following documentation:

- A development map, identifying the portion of the development that will be under construction within the next year and the number of housing units involved. A development map must be on an 8 ½ by 11 sheet of paper, identify each housing unit in the development and identify the portion of the development to be under construction within the next year. This will support the number of units stated in the district's cover letter for the specific development.
- A cover letter summarizing the information from all the maps (*see sample in the Eligibility Package*) ❦

Classroom Loading Summary - Form SAB 600S

Introduction

All teaching stations are deemed chargeable unless excluded by law, regulation or SAB policy.

The applicant district must provide information about the number of existing classrooms in the district. This information will be used to determine the student capacity of the district's existing classroom. Additional space is provided on the Form SAB 600S to identify other facilities that may not be included in the district's inventory of classrooms such as leased portable classrooms or class size reduction classrooms.

Standard Classrooms

Any teaching station that is at least 800 square feet and was originally designed as a teaching station is considered a standard classroom. In the case where the SAB modernized a facility under the Lease-Purchase Program, the number of teaching stations may have been reduced in accordance with provisions in the Law.

Small Classrooms

Teaching stations that are less than 600 square feet are not considered a part of the district's inventory of classrooms. Standard classrooms that have been redesigned to be less than 800 square feet for purposes of Class Size Reduction Programs, Resource Specialist Programs or for other purposes may be evaluated as if the redesign did not occur.

District Owned Portable Classrooms

Portable classrooms owned by the district are to be counted as part of the district's inventory of classrooms.

Resource Specialist Program

Resource Specialist Program (RSP) classrooms which were constructed under the Lease-Purchase Program as a result of a RSP allowance are not part of the district's inventory of classrooms. Teaching stations that were converted to RSP use are considered classrooms.

Class Size Reduction

The district may exclude teaching stations acquired or constructed for Class Size Reduction (CSR) purposes when justified by the *Class Size Reduction Classroom Exclusion* (Form SAB 526CSR).

Cross Loading of Classrooms

The district will only be required to house students at the grade levels served by a school site; however, the facilities must be fully utilized before consideration will be given to fund the construction of teaching stations for that grade group.

Example: The K-6 schools were loaded on the Form SAB 600S with students as currently utilized. The results indicate that there are two empty 1-3 grade classrooms and a need for four 4-6 grade classrooms. The two empty classrooms must be loaded with 4-6 grade students to maximize the use of all the teaching stations. Therefore, the district has a net need of two 4-6 grade classrooms. The empty classrooms will not be loaded with 7-8, 9-12 or continuation students as they are not be normally served at these sites.

Portable Abandonment/ Replacement

Portable classrooms may be abandoned by either a structural report process or by the use of the 20 year rule.

If the district has owned and/or leased a portable classroom for at least 20 years, the district may elect to abandon the building without a structural review. Please clearly identify the portable classroom to be abandoned on the Form SAB 600S for the appropriate school.

See *Appendix 9, Abandonment and/or Rehabilitation, Page 9-1,* for the structural abandonment and replacement process.

Abandonment of Permanent Structures

Under certain circumstances a district may be able to abandon structurally adequate, as well as structurally inadequate, facilities. See *Appendix 9, Abandonment and/or Rehabilitation* for the structural abandonment process.

Portable Classroom Exclusion

Lease, lease-purchase and lease-with-option-to-buy portable classrooms are excluded from the district's inventory of teaching stations for the initial five (5) years of the agreement. This exclusion may be extended for either an additional five (5) year or a two (2) year exclusion period depending on the following criteria:

- An additional five-year exclusion may be granted if the continued use of the leased portable is supported by additional growth in ADA. Additional growth is determined by dividing the difference between the original projection of enrollment and five-year current projected enrollment by 30. The quotient gives the number of leased portable classrooms supported by additional growth. The five-year exclusion is not available to lease-purchase and lease-with-option-to-buy portable classrooms.
- Two-year exclusion may be granted if the portable classroom is not supported for continued use under the five-year exclusion provisions. The two-year exclusion may be granted provided the exclusion is necessary to maintain eligibility for a project

Continued on the next page

Portable Classroom Exclusion (Cont.)

previously approved. This exclusion may not be used to support a new project that has not yet been approved by the SAB.

Note: The maximum extension for a leased portable classroom is five years. The maximum extension for a lease-purchase or leased-with-option-to-buy portable classroom is two years.

Portable Classrooms Not Eligible for Exclusion

The following are examples of portable classrooms that are not eligible for exclusion from the district's inventory of teaching stations:

- A portable classroom that received an approval for continued use by the SAB is considered a part of the district's inventory of teaching stations until the SAB has approved the abandonment of the facility.
- Portable classrooms leased or lease-purchased at less than fair market value do not qualify for exclusion. Fair market value is determined to be the rental fee for State Relocatable Classroom Program, unless otherwise determined by the SAB on an individual case basis.

State Relocatable Classroom

Portable classrooms leased under the provisions of the State Relocatable Classroom Program, Education Code Section 17085, commencing with Chapter 14, are excluded from the district's inventory of teaching stations. If the district elects to purchase one of these buildings, then the district portable is owned.

If the district elects to time-purchase one of these buildings, the building would be excluded for up to 5 years from the date the SAB approves the time-purchase.

State Day Care

Portable classrooms leased pursuant to "Migrant Portable Education Program", Education Code, Chapter 6, Part 10, Article 5 are not considered a part of the district's inventory of teaching stations.

Pre-School/Child Day-Care/Regional Occupation Program/Adult Education

Classrooms that have been continually used for the preceding five years at least 50 percent of the time for operation of pre-school programs as defined in Education Code Section 17042 (B)(2) are excluded from the district's classroom inventory. In order to be eligible for this exclusion, the classroom must be located at a school that operates on a multi-track year-round schedule.

Buildings purchased for use as adult education, child care or Regional Occupation Programs with special override taxes, federal funds, local or State funds are also eligible for exclusion.

Cost Sharing Program (Mello-Roos)

A district may seek reimbursement (Education Code Section 17018.5) for facilities it constructed under the Community Facilities Act of 1982, the district may exclude those teaching stations but only for purposes of determining eligibility for reimbursement.

STUDENT LOADING STANDARDS

State Loading Standards

The State Loading Standards for students in each grade group for both modernization and new construction applications are as follows:

GRADE GROUP	LOADING STANDARD IN ADA PER CLASSROOM
K single (Double)	29 (55)
1-3	29
4-6	33
7-8 (lab)	30 (26)
9-12 (lab)	28 (24)
Continuation	15
Elementary SDC	*(see Education Code for loading standards)*
Secondary SDC	*(see Education Code for loading standards)*

District Loading Standards

The district may reduce the Student Loading Standards by up to three (3) ADA provided the district has historical documentation adopted by the district's board on or before July 1, 1992 that includes a student/teacher ratio lower than the above Standards. The district may not reduce the loading standards for Continuation High School or Special Day Classrooms.

Special Day Classroom (SDC)

The loading standard for SDC classrooms is in accordance with Education Code Section 17047 *(see Education Code for loading standards).*

Small Classroom

Any classrooms that are between 600 and 800 square feet are loaded at 20 ADA for all grade levels except continuation high schools and special day classes. Those classrooms are loaded per the schedule.

ROP or Adult Education Classrooms

Teaching stations constructed with Bond funds specifically approved for either Regional Occupation Program (ROP) or Adult Education purposes are not deemed a part of the district's inventory of classrooms. As an alternative, the District Representative may certify that the ROP or Adult Education facility was constructed with funds generated from the ROP or Adult Education programs. The certification must specifically identify the funding source for the facility to be excluded.

Student Capacity of Facilities Constructed with Local Funds Student Capacity of

The SAB allowable building area for a project funded by the SAB is the building area approved for funding by the SAB. For those facilities constructed with local funds, the SAB allowable building area is the SAB building area generated by the ADA capacity of the facility constructed.

The student capacity of schools or additions to existing schools constructed with local funds after January 1, 1993, shall be determined by dividing the area of the construction by the square footage standards for the grade level housed in the facility. For purposes of this

Continued on the next page

Facilities Constructed with Local Funds (Cont.)

section, the date of the first contract in the project shall determine if the area was constructed after January 1, 1993.

The student capacity of area in excess of the 110% of a project constructed under the state program shall determined in the same way.

Justification Document - Form SAB 600

Introduction

The *Justification Document-New Construction and Modernization/Reconstruction* (Form SAB 600) combines the information from the Form SAB 411 and the Form SAB 600S to determine the district's eligibility for building new classrooms or modernizing existing buildings.

MULTI-TRACK YEAR-ROUND EDUCATION ADJUSTMENT

Introduction

The Multi-Track Year Round Education (MTYRE) adjustments on the Form SAB 600 is the larger of the following:

1. The number of students that received Operational Grant funding from the CDE.
2. The Substantial Enrollment Requirement (SER) for a district to be considered a MTYRE district.
3. The sum of all the 20% capacity adjustment for projects that were approved as MTYRE projects.

The Waiver and Review Committee is responsible for classifying districts as MTYRE as well as considering waiver from being MTYRE district and recommending waiver of the project from being constructed to operate on a MTYRE basis. Please submit your request to:

Waiver and Review Committee
School Facilities Planning Division
California Department of Education
560 J Street, Suite 165
Sacramento, CA 95814

If the district is only submitting requests for modernization projects, this section does not apply and need not be completed.

Operational Grant

Districts that operate MTYRE schools may request Operational Grant funding from the CDE. Should the district receive funding, the number of students reported by the CDE must be reduced from the district's eligibility to construct new facilities. The reduction is permanent even if the district does not apply for or receive grants in subsequent years.

Substantial Enrollment Request (SER)

A district must either meet the SER requirement of Education Code Section 17017.6 or 17017.7, as appropriate, or agree to an eligibility reduction as follows:

DISTRICT TYPE	APPLICATION TYPE	ELIGIBILITY REDUCTION
Elementary and Unified	Districtwide	6% of the K-6 current enrollment
	High School Attendance Area	8% of the current enrollment of the district
High School	Districtwide	6% of the current enrollment of the district
	High School Attendance Area	• 8% of the K-12 current enrollment of the district and the feeder districts, or • 20% of the project ADA

20% Capacity Adjustment

A project is considered to operate on a MTYRE basis when the district agrees to increase the student capacity of the project by 20%. The district may request a waiver from this requirement through the Waiver and Review Committee. ❦

ALLOWANCE AREA

Project ADA

The project ADA is the number of unhoused ADA assigned to the project before the 20% capacity adjustment requirement. Please note that this is different than the project capacity.

Resource Specialist Program (RSP)

Each project is entitled to building area to serve the needs of RSP students based on the number of unhoused K-12 students, excluding special day classroom students and continuation high pupil units. The allowable building area for each site is computed pursuant to Education Code Section 17047 *(see Education Code for loading standards)*.

Relocatable Bonus (3B)

If at least 10% of the total building area is relocatable, the allowable building area for the project may be increased by three square feet per unhoused ADA. A relocatable building is defined in Education Code Section 17042.5 (b).

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Grades K-6

Use the following building area allowances for K-6 ADA:

IF projected K-6 ADA for the district is...	**THEN** the K-6 allowable building area is computed for ...	
Less than 300 (small school formula)	The entire district at:	
	ADA	Allowance (sq. ft.)
	6-25	1,712
	26-50	4,066
	51-75	6,099
	76-100	7,704
	101-133	9,005
	134-166	10,914
	167-199	12,840
	200-232	14,296
	233-285	16,773
	286-299	17,655
300 or more	59 square feet per project ADA.	

Grades 7-8 New School and Additions

The building area allowance for grades 7-8 is computed at 80 square feet per unhoused ADA.

Grades 9-12 New School

The building area allowance for grades 9-12 is computed in accordance with Education Code Sections 17046 and 17046.7 *(see Education Code for loading standards)*.

Special Day Classrooms (SDC)

The building area allowance for assigned SDC for each project is computed in accordance with Education Code Section 17047 *(see Education Code for loading standards)*.

Continuation High School New School

The building area allowance for continuation high school pupil units is computed as follows:

PUPIL UNITS	ALLOWANCE (SQ. FT.)
5-20	2,300
21-40	2,300 + 125 per pupil unit over 20
41-60	4,800 + 120 per pupil unit over 40
61-90	7,200 + 115 per pupil unit over 60
91-120	10,650 + 105 per pupil unit over 90
121-150	13,800 + 90 per pupil unit over 120
Over 150	16,500 + 60 per pupil unit over 150

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Grades 7-9 or 7-10 New School and Additions

The building area allowance for middle schools grades 7-9 or 7-10 is computed in accordance with Education Code Section 17045.

Grades K-6 Additions

Use the following building area allowance for K-6 ADA:

IF the projected K-6 ADA for the district is ...	**THEN** the K-6 allowable building area is computed for ...
Less than 300 (small school formula)	Utilizing the small school formula, determine the building area permitted by the district as if they did not have an existing school. Determine the average square footage per ADA and apply this value to the unhoused K-6 ADA assigned to the project.
300 or more	59 square feet per project ADA

Grades 9-12 Additions

Utilizing the 9-12 formula, determine the building area permitted for the existing ADA capacity of the school plus the ADA assigned. Determine the average square footage per ADA and apply this value to the unhoused ADA assigned to the project.

Continuation High School Additions

Utilizing the continuation high school formula, determine the building area permitted for the existing pupil unit capacity plus the new pupil units assigned. Determine the average square footage per pupil unit and apply this value to the unhoused continuation pupil units assigned to the project.

Modernization Bank Area Allowance

The district must assign projected ADA to under 30 year old classrooms before assigning projected ADA to qualifying 30 year or older classrooms.

Each projected ADA, housed in classrooms that are at least 30 years old, generate a bank of modernization bank of building area. The allowable area per ADA is as follows:

SCHOOL	ALLOWABLE (SQ. FT.)
Elementary	59
Middle	80
High	92
Continuation	92
County Supt.	108

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Utilization of Modernization Bank

Once the district's modernization bank of building area is determined, the district may allocate the area to any school building in the district that qualifies to be modernized. The district must modernize all building areas of the first qualifying building before selecting the next qualifying building.

Eligible building area

Buildings eligible to be modernized are permanent buildings that were constructed or modernized at least 30 years ago or portable buildings that were constructed or modernized at least 20 year ago.

Portable classrooms

If the district elects to modernize a portable classroom, the portable classroom will be eligible for abandonment 20 years from the date of the notice of completion on the modernization work.

Insufficient Modernization Bank

Should the available modernization bank be insufficient to modernize the next entire building, the district must elect to either fund the excess building area or choose to not modernize the building. ❦

Application For Apportionment - Form SAB 506

Introduction

All school districts participating in the State School Building Lease Purchase Program must file a *Application for Apportionment* (Form SAB 506). This document is submitted for a new application as well as amendments to applications previously filed. A separate application must be filed for each project.

The Form SAB 506 is self explanatory, however, if you need assistance completing it, contact the OPSC Eligibility Supervisor. The following information has been provided for items on the form needing further clarification.

District Representative

The district's board must identify one or more persons to serve in the capacity of District Representative to:

1. File applications with the SAB.
2. Act as a liaison between the district and the SAB.
3. Sign contracts, agreements and change orders that have been approved by the district's governing body.

Facilities

A project is required to have enough classrooms to adequately house the ADA assigned. In the event that the district is not constructing the required number of standard classrooms in the project, the district must certify that the district has reviewed its educational plan with CDE and they jointly agree that the facilities have adequate teaching station equivalents to serve the ADA assigned to the project. The Facility shall be loaded at the State approved capacity even if the district subsequently determines that the school design is inadequate to house the ADA assigned to the project.

Administrative Cost Allowance

Pursuant to Education Code Section 17019.5, an administrative cost allowance is provided to small districts. These funds may be used for any cost associated with the administration of the project.

Applications approved by the SAB after January 1, 1998, are eligible for the following allowance:

TYPE	ALLOWANCE
New Construction	$6,958
Modernization or Reconstruction	$1,674

Project Budget

This value is formula driven and designed to provide an estimate of the total project budget. The specific area cost allowance and approved architect's estimate are used to establish the project budget for purposes of the construction phase approval. The bid(s) and other approved project adjustments will determine the final project budget.

TYPE OF PROJECT REQUESTED

Priorities

The district may file an application for any of the several types of applications authorized under the Lease-Purchase Program. In each case, the district may agree to fund at least 50% of the eligible project cost, generally known as Priority for Funding Level 1. As an alternative, the district may request 100% State funding of the eligible project cost, generally known as Priority for Funding Level 2. For new construction types of applications, in order to receive priority 1 or 2, the district must also meet the Year Round district and Year Round project requirements.

New Construction

This type of application is for the construction of new facilities based on the district's increasing student population.

Modernization

This type of application is for the educational renovation of buildings. The allowable cost is limited to 25% of the replacement cost of the building being modernized.

Abandonment/ Replacement

This type of application is solely for the purpose of abandoning and replacing existing facilities. The abandonment and replacement requirements and procedures are found in *Appendix 9, Abandonment and/or Rehabilitation, Page 9-1.*

Cost Sharing

This type of application, pursuant to Education Code Section 17018.5, permits a district to be reimbursed for a facility that was constructed with funds generated under the Mello-Roos Community Facilities Act of 1982. The maximum State contribution on these applications is up to 75% of the eligible cost of the project.

Joint Use

A district may choose to apply for a separate library, gymnasium, or multi-use building pursuant to specified funding provisions, or increase the building area of a school project in order to accommodate community needs. Community funding is required for additional building area beyond the needs of the school district in either case.

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Reconstruction

A district may reconstruct a building if all the following conditions are met:

- The building is eligible for modernization funding.
- The building's existing ADA capacity will be increased by at least 10% or by five teaching stations which ever is less. The district must have the unhoused ADA to comply with this requirement.
- The resulting ADA capacity of the school site would not generate more building area than currently exists at the site.
- The cost to reconstruct the building is equal to or less than 75% of the replacement cost of the building.

If the reconstruction work is part of a larger modernization project, please identify the project as a modernization project.

Rehabilitation

The district may request the rehabilitation of a building if all of the following conditions are met:

- The building is eligible for modernization funding.
- The cost to rehabilitate the building does not exceed 75% of the replacement cost of the building.
- The building does not meet the structural safety requirements of the Field Act for the year in which the building was constructed.

These types of applications may be presented to the SAB for consideration on a case-by-case basis. If the rehabilitation work is part of a larger modernization project, please identify the project as a modernization project.

Seismic Retrofit Project

The district may request seismic retrofit funding if it has a school that meets all of the following:

1. The facility is structurally adequate and eligible for modernization funds under the Lease-Purchase Program.

2. All classrooms in the district or high school attendance area which do not require seismic structural improvements have been fully loaded before any unhoused pupils were assigned to a project requesting seismic funding.

3. The district has submitted a report from a licensed structural engineer which identifies minimum work necessary to address the seismic structural improvements necessary to avert probable earthquake damage. The report must also include a statement that the facility meets the structural requirements in existence when the facility was originally constructed.

4. The district has submitted a letter from the Division of the State Architect which concurs with the findings in the structural report addressed above.

5. An accounting of all capital facilities funding potentially available to the district, including any Federal or local funding and State funds other than those provided through the SAB now or during the life of the project. ❦

Phase P Fund Release

Introduction

Once the district or County Superintendent has received an approval and apportionment of funds for an application, funds will be released to the district upon receipt of the following:

1. Executed Lease-Purchase Agreement.
2. Certification of an executed Architect Agreement.
3. Certification of California Environmental Quality Act (CEQA) compliance.

Lease-Purchase Agreement

The district or County Superintendent must enter into a 40 year Lease-Purchase Agreement with the State of California.

Architect Agreement Certification

The district must certify on the *Architect Agreement Certification* (Form SAB 533A) that there is an executed Architect Agreement which complies with the requirements of the SAB.

California Environmental Quality Act (CEQA)

The district or County Superintendent must certify that they have satisfied the documentation requirements relating to CEQA on the Form SAB 490.

Guidelines for Architectural Services

Introduction

The SAB has established guidelines relating to Architect Agreements that include errors and omissions insurance as well as the maximum allowable fee.

Selection of Architect

The district should solicit qualifications based proposals from several architects. Refer to Government Code Section 4526 et. seq. for more information.

The district is expected to negotiate the best possible terms and conditions for the architectural services.

Errors and Omissions Insurance

It is the responsibility of the district to ensure that general practice architectural errors and omissions insurance coverage of at least $500,000 is provided and paid for by the architect.

Furthermore, it is the responsibility of the architect to ensure that each consultant or subconsultant is covered by a minimum of $500,000 errors and omissions insurance.

SAB Architect Fee Schedule

The following is the maximum eligible SAB architect fee schedule under the Lease-Purchase Program:

CONTRACT AMOUNT	NEW CONSTRUCTION PERCENTAGE RATE	MODERNIZATION PERCENTAGE RATE
First $500,000	9 %	12 %
Next $500,000	8 ½ %	11 ½ %
Next $1,000,000	8 %	11 %
Next 4,000,000	7 %	10 %
Next $4,000,000	6 %	9 %
Excess of $10,000,000	5 %	8 %
Performance Specification Portables	4 %	NA

Final Determination

The final determination for the architect fee is made at the time of the bid approval. Adjustments to this fee will be calculated if approvable change orders arise.

Performance Specification Portables

A project in which the architect provides the performance specification but is not responsible for insuring DSA approval of the plans results in a reduced architect fee of 4% of the contract amount. If the portables are a part of a bid which includes work by which the architect does get DSA approval, please contact OPSC for the method of computing the final allowable architect fee.

Additive Change Orders

A fee is calculated per contract to include the cost of all approved additive change orders with the exception of items resulting from errors and omission on the part of the architect.

Separately Bid Work

If the OPSC requires the district to bid the Service-Site Development work separately, the architect fee will be calculated separately for that bid in accordance with the agreed upon fee.

If the district elects to bid work, excluding OPSC required separately bid the Service-Site Development work, the district must fund the additional architect fees beyond the maximum fee schedule allowed.

Construction Management Project

The eligible architect fee shall be computed based on each trade contract, Construction Management (CM) fee and CM general conditions. In addition, the estimated architect fee must be computed for the sum of all the trade contracts, CM fee and general conditions as if it were one construction contract. The district must reduce the building cost allowance for the project for the additional architect fee resulting from a Construction Management project.

Budgetary Constraints

The architect must exercise his best judgement in determining the balance between the size, type and quality of construction to achieve a satisfactory solution within the project's construction allowance.

It is the responsibility of the architect to design a project within SAB cost standards. If a construction bid exceeds these standards, the architect is responsible for making the necessary changes in the DSA approved plans, specifications and bid documents at no additional cost to the client.

Termination of Client/Architect Agreement

The termination of an architectural agreement must be done in accordance with the terms of the client architect agreement. It is the district's responsibility to ensure that allowable termination scenarios are specified in the agreement.

If the contract termination is challenged by the architect, the district must defend the termination under the provisions of the agreement at no cost to the State.

Furthermore, the OPSC will consider the amount of compensation agreed under the original contract to be the maximum for the project. Thus, if the amount owed to the original architect plus the amount owed to a new architect to complete the project exceeds the amount of the original contract, the district will be required to fund the additional amount. ❦

Site Selection Phase (Phase S)

Introduction

The selection of a school site is critical to both a safe and supportive environment for the curriculum and learning process. The eligible size of property to be acquired is limited to the minimum land area necessary to conduct an adequate educational program.

Criteria

The following criteria will be considered by the CDE, School Facilities Planning Division when selecting a site:

- safety
- location
- environment
- soils
- topography
- size and shape
- accessibility
- public services
- utilities
- land/development costs
- availability
- political implications.

Role of the California Department of Education

The CDE, School Facilities Planning Division, is required to review and recommend approval of all new school sites and additions to school sites regardless of the funding source. To ensure that the best possible site selection is made with a balance of educational and financial considerations, the district must comply with the following procedures:

- The district must identify a minimum of three (3) approvable sites to be reviewed with the School Facilities Planning Division. These sites must be identified on the CDE Form, *Approval Procedures and Site Report, SFPD 4.0.* If the School Facilities Planning Division finds that one of the three proposed sites is not approvable, another approvable site must be added to the list for consideration.
- If there are not three approvable sites in the area in which the new school is to be located, the School Facilities Planning Division must state this fact in a site review letter addressed to the OPSC.

The final selection of the proposed site must be approved and certified by the CDE.

In this Section

This section discusses the following topics/subtopics:

TOPIC/SUBTOPIC	PAGE
Site Ownership Certification - Form SAB 509	2-2
Real Property Appraisals	2-2
Site Purchase	2-3
Relocation Assistance	2-7

Site Ownership Certification - Form SAB 509

Introduction

This document is a certification made by the district representative that the school district holds legal title to the site contained in the application. The title must be free of any liens and encumbrances which would adversely affect the use of the site for school purposes. All land related to a project is subject to a 40-year lease-purchase agreement between the State and the school district.

District Owned Site

For those projects being constructed on a district owned site, the *Site Ownership Certification*, Form SAB 509, is required prior to the Construction (Phase C) SAB approval.

Sites Not Previously District Owned

For those projects which include the acquisition of real property not previously owned by the district, a grant deed to the property or the *Site Ownership Certification* (Form SAB 509) is required prior to the Construction (Phase C) SAB approval.

County Superintendent of Schools Building Project

In the event a facility is to be constructed by a County Superintendent of Schools on property owned by a school district, it is not necessary for the county to acquire land. In lieu of the site ownership certification, a 40-year ground lease agreement from the district to the county must be executed. In addition, the district that is leasing the site to the County Superintendent of Schools must provide the Form SAB 509. ❦

Real Property Appraisals

Definition

A real property appraisal is a written estimate of the fair market value of a real property.

Appraisal Specifications

Appraisal specifications must comply with those established by the Appraisal Institute.

Appraisal Options

To ensure that site acquisition conforms to law and that fair market value is properly determined, the district must comply with the SAB real property appraisal process.

Either one or two appraisals may be obtained to meet site acquisition requirements. A comparison of appraisal options is provided in the table below:

COMPARISON OF APPRAISAL OPTIONS	
One Appraisal	Two Appraisals
• One appraisal per parcel. • The appraisal must be reviewed by the OPSC. • For valuations approved by OREDS, the appraisal fee is an eligible project cost.	• Two appraisals per parcel. • Appraisal fees are eligible project. • OPSC must review the appraisals only in the event that the valuation(s) are relatively disparate.

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Appraisal Costs

The costs associated with the preparation of required appraisals are eligible State funded expenditures.

Updates

Updates to an appraisal are permissible under the following circumstances:

CIRCUMSTANCE A
The valuation date of the appraisals will exceed 60 days at the time of the district's request for a site apportionment and no more than 150 days at the time of the site apportionment. However, an appraisal exceeding 60 days at the time of the site apportionment may be updated. The appraisal update is an eligible project expenditure.
CIRCUMSTANCE B
Upon the initiation of eminent domain proceedings, the appraisal update is an eligible project expenditure.
CIRCUMSTANCE C
A court has ordered an updated appraisal due to a condemnation action. Only the appraisal which the site apportionment was based will be updated and considered an eligible project expenditure. Appraisals cannot be updated as a basis for negotiation toward a stipulated judgement.

Time Extension

When a settlement cannot be successfully negotiated and the district has not filed condemnation proceedings within the 60 day (single parcel) or 90 day (multiple parcel) time limit, a written time extension must be requested by the district and obtained from the OPSC Executive Officer. If a written extension is not granted, the SAB will hold the district responsible for any increased costs exceeding the approved appraised value. ❦

Site Purchase

Introduction

Eminent domain gives a public entity the right to acquire land for public use. Site acquisition is a local responsibility.

The district and its legal counsel carry the burden of negotiating the acquisition, complying with statutory requirements, and bringing the acquisition of the real property to a successful conclusion. It is desirable that the district consult with its legal counsel before taking steps to acquire real property. Legal counsel often insists on early consultation so that each action will give maximum support to the district's case should condemnation proceedings be necessary.

Acquisition of real property may be accomplished through:

- a negotiated settlement, or
- condemnation proceedings.

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Negotiated Settlement within the Appraised Valuation

A negotiated settlement culminates when the property owner accepts an offer within the amount of an approved appraisal. This settlement represents the SAB cost standard for the acquisition.

Negotiation Deadlines

To ensure that the site acquisition is completed in an expeditious manner, the following deadlines must be adhered to:

- A settlement must be negotiated or condemnation filed within 60 days (single parcel) or 90 days (multiple parcels) of the SAB site acquisition apportionment.
- A time extension may be granted if a written request is made to the OPSC Executive Officer prior to the expiration of the original 60 or 90 day deadline. There must also be good reason to believe that a successful negotiation can be achieved.

Negotiated Settlement above the Appraised Valuation

Under rare circumstances, a settlement may be negotiated above the approved appraised valuation at an amount authorized by the SAB. Authorization to negotiate a settlement above the approved appraised valuation may be warranted if satisfactory evidence from a relevant source is provided. This evidence may include:

- the owner's appraisal;
- another current appraisal;
- recent court awards for similar properties;
- probable testimony in a potential trial;
- opinion of district's legal counsel;
- potential trial costs.

Usually, any evidence will be evaluated by the OPSC. However, an independent appraiser (party other than the original appraiser) may evaluate evidence provided that prior authorization is obtained from the OPSC Executive Officer.

In all instances, the evaluation of the evidence accomplishes one of the following:

- The evidence is unsubstantiated. Therefore, negotiation above the approved appraised valuation will not be permitted.
- The evidence is fully substantiated. Since the increase in the appraised value is warranted, a negotiated settlement up to a maximum amount requested by the property owner may be authorized.
- The evidence is partially substantiated. Since a partial increase in the appraised value is warranted, the negotiated settlement may not exceed the maximum finding of the evaluation.

Limitations

Any increase resulting from a substantiated appraisal is limited to the larger of the following limitations:

- No monetary limit will be specified for real property provided that the negotiated purchase price does not exceed $100,000.00.
- The negotiated purchase price may not exceed the approved appraised valuation by more than 10 percent.

Note: All offers of negotiated settlement exceeding the approved appraised valuation are subject to approval by the SAB.

Condemnation Proceedings

The acquisition of private real property through condemnation can be achieved through the following legal actions:

LEGAL ACTION	DEFINITION
Stipulated Judgement	Occurs when an agreement to sell a property is negotiated with the assistance of the Court.
Order of Immediate Prejudgment Possession	Allows a government to take legal possession of a real property prior to the Court's interlocutory or final judgement of the property value.
Interlocutory Judgement	Occurs when the Court makes a decision on the request to condemn a property. The decision is followed by a final judgement of the property value.

Stipulated Judgement Proceedings

When the district pursues a settlement by means of a stipulated judgement, the summons and complaint, and lis pendens issued by the Court must be submitted to the OPSC. These terms are defined as follows:

TERM	DEFINITION
Summons	A notification to the property owner to appear in court.
Complaint	Explains the nature of the proceeding to the court.
Lis Pendens	Notice to the public that a title to real property is pending litigation.

An agreement to a stipulated judgement may be negotiated within the approved appraised value of the property. However, if an agreement cannot be reached in this manner, negotiations above the appraised value of the property may be authorized. In this instance, the procedures delineated in negotiating a settlement above the appraised evaluation must be enforced.

Order of Immediate Prejudgment Possession

An Order of Immediate Prejudgment Possession allows the district to take legal possession of a real property prior to the Court's interlocutory or final judgement. The action of immediate possession irrevocably sets the date of the property's valuation.

Continued on the next page

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Order of Immediate Prejudgment Possession, (Cont.)

Before the district may file an Order of Immediate Prejudgment Possession with the Court, the OPSC Executive Officer must authorize the action under any of the following prescribed circumstances:

CIRCUMSTANCE A

- Acquisition is necessary to stop ongoing or eminent development of the property which will have a substantial effect on the value.
- If an acquisition involves more than three parcels under different ownership and at least two-thirds of the parcel owners have indicated a willingness to agree to a negotiated settlement, then immediate possession may be authorized for the remaining parcels.

Note: In the above mentioned situation, development of the property may occur upon receipt of final DSA approved construction plans. Written authorization must be obtained from the OPSC Executive Officer prior to any development or improvement.

CIRCUMSTANCE B

If the demolition, removal or replacement of structures or other facilities existing on the property will require an unusual amount of time to complete and therefore cause an unacceptable delay in the project, immediate possession may be authorized. However, the district must certify that acceptable final plans have been submitted to the DSA and that DSA approval will be granted shortly after the demolition or removal is completed.

CIRCUMSTANCE C

The final plans have been approved by the DSA.

Any request by the district for immediate possession which does not meet the immediate possession prescribed circumstances previously discussed must be accompanied by a school board resolution agreeing to fund any amount of a court award exceeding the approved appraised value.

In all cases, the counsel representing the district in the condemnation proceedings must provide the OPSC Executive Officer with a brief written summary of the property owner's claims. The summary must stipulate that there are no known claims by the property owner which would be likely to cause the Court to award a substantial increase (more than 50 percent) above the approved appraised value.

Deposits with the Court

When the district is authorized by the OPSC Executive Officer to take immediate possession of a given parcel, site funds apportioned are released to the district for deposit with the Court.

The date of deposit establishes the property valuation date.

Interlocutory Judgement Proceedings

If a settlement cannot be negotiated with the aid of the Court in a stipulated judgement, then the Court makes a decision on the request to condemn a property. The Court's condemnation decision is followed by the final judgement.

Final Judgement

The final judgement is the Court's final determination of the value of the property. It is the district's responsibility to submit to the OPSC a certified copy of the judgement bearing the Court's seal. When such documents are received, the OPSC can submit to the SAB a request for an increase in the site apportionment to meet any judgement above the high appraisal. ❦

Relocation Assistance

Introduction

Any person, business, farm operation, or nonprofit organization displaced as a result of a real property acquisition may receive financial assistance to relocate. Relocation assistance is administered by the SAB in accordance with the State relocation guidelines adopted by the California Commission of Housing and Community Development.

Relocation Criteria

Those entities eligible for relocation assistance include any person, business, farm operation or nonprofit organization occupying the subject property at the time the first written offer to purchase the property was made. In addition, any entity being relocated shall:

- receive fair and equitable treatment; and
- not suffer disproportionate injuries from a program designed for the public's use;
- not be required to relocate unless adequate replacement housing is available.

Types of Relocation Reports

Upon the district making its first written offer to purchase real property and the displacement of occupants is evident, either a relocation plan or a statement of exemption or relocation entitlement report must be prepared as follows:

TYPE OF REPORT	DESCRIPTION
Relocation Plan	The relocation plan is the primary relocation report. This report must be prepared on any project which involves the displacement of one or more residential occupants. The purpose of the plan is to provide an assessment of who or what will be relocated, how the relocation will be accomplished, and how much it will cost. The plan serves to assure that an orderly relocation can be accomplished and that an adequate supply of comparable replacement housing is available.
Statement of Exemption	This report must be prepared on any project not involving the displacement of residential occupants. The statement contains a description of all parcels and all improvements, covenants and/or leases covered by the project. When it is anticipated that a project will involve any moving expenses, the statement must contain budget estimates of the moving costs and overhead.
Relocation Entitlement	This report must be prepared on any project involving the displacement of any person, business, farm operation or nonprofit organization. The purpose of the report is to provide an estimate of the actual costs of purchasing or renting replacement housing.

Preparation/Submittal of Relocation Reports

Preparation of the relocation report is left to the discretion of the district. The following relocation reports must be completed and submitted to the OPSC in a timely manner:

TYPE OF REPORT	DEADLINE FOR SUBMITTAL
Relocation Plan or Statement of Exemption	Prior to or during the appraisal stage of the project.
Relocation Entitlement	Prior to or on the date site acquisition negotiations take place. This report must be submitted prior to the initiation of a relocation assistance fund release.

Forms SAB 506A/SAB 506B (Cost Estimates)

All costs related to the relocation of displaced entities must be identified on the Form SAB 506A and Form SAB 506B cost estimates.

SITE CATEGORY	
SUB-CATEGORY	DESCRIPTION
Site Support	Identifies all costs related to the development of relocation reports and determination of relocation claims *(see Section 3, Site Support Costs, page 3-4).*
Relocation Assistance	Actual costs related to the displacement of any persons, businesses, farm operation or nonprofit organization in conjunction with the acquisition of real property.

Required Fund Release Documents

The following chart identifies the documents that are required to release relocation assistance costs:

ITEM	DESCRIPTION
Evidence to Clear Title	Verification that the district holds clear title to the subject real property.
Certification of Conformance	District certification that regulations pursuant to the Relocation Assistance Law have been adopted or that a party/entity specified in Government Code, Section 7261.5, has been contracted for performance of services under the law.
Relocation Entitlement Report	Complete report identifying the actual costs involved in the displacement of all affected parties.
Claims	All documents used to justify expenses incurred by claimants. A summary of these claims must also accompany the itemized claims. Justification may include: • invoices related to moving expenses, storage costs, insurance valuation, the reasonable expenses related to the search of a replacement site, etc.; and/or • incidental expenses including legal, escrow fees, closing/related costs, surveys, appraisals, plat maps, etc. These claims must be submitted to the OPSC on a continuous basis. All claims are subject to the approval of the OPSC Executive Officer.

Fund Release Advances

The district may request an advance fund release of up to 80 percent of the relocation assistance budgeted at the site acquisition stage of the project. However, the advance may not exceed $250,000.00.

All advance fund release requests must be made in writing and specify the amount of the proposed advance. ❦

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Development of Cost Estimates: Forms SAB 506A and SAB 506B

Introduction

This topic focuses on the preparation of the *Estimated Project Cost Detail*, Form SAB 506A, and the *Summary of Estimated Costs*, Form SAB 506B. The cost estimate details the expenditures associated with the following categories:

- A. Site
- B. Plans
- C. Construction
- D. Tests
- E. Inspection
- F. Furniture and Equipment
- G. Contingencies

The cost estimates are used to develop a construction budget in preparation for the Construction (Phase C) SAB recommendation.

Form SAB 506A

The form *Estimated Project Cost Detail*, Form SAB 506A, provides a detailed breakdown of all project costs. This form should be expanded to support the scope of the project as depicted on the project plans.

Form SAB 506B

The *Summary of Estimated Costs* (Form 506B) provides a summation of the costs detailed on the Form SAB 506A.

Cost Itemization

All items listed on the cost estimate should be clearly itemized by unit size, quantity and unit cost. Lump sums are not permitted.

Overhead and Profit

All costs associated with overhead and profit must be integrated into the unit cost itemization.

Updates

Upon submittal of DSA approved plans, new cost estimates must be prepared if those previously submitted are older than 90 days along with the *Certification of Changes to Final Plans and Specifications* (Form SAB 390) to explain changes.

Required Signatures

The cost estimates must contain the original signatures of a licensed architect or structural engineer.

In this Section

This section discusses the following topics/subtopics:

TOPIC/SUBTOPIC		SEE PAGE
A.	Site	3-3
	• *Site Support Costs*	3-4
B.	Plans	3-5
C.	Construction	3-6
	• *Building Cost Standards*	3-6
	• *Demolition*	3-11
	• *Interfacing*	3-11
	• *Multi-Story Replacement of Facilities*	3-12
	• *Utility Services*	3-13
	• *Capital Development Fees*	3-14
	• *Off-Site Development*	3-15
	• *Service Site Developments/Fire Code Requirements*	3-16
	• *General Site Development*	3-18
	• *Additional Funding for Multi-Story Construction*	3-20
	• *Supplemental Allowance*	3-21
	• *Energy Conservation*	3-22
	• *Deferred Items*	3-24
D.	Tests	3-24
E.	Inspection	3-24
F.	Furniture and Equipment	3-25
G.	Contingencies	3-27

A. Site

Description

The eligible costs and fees associated with the *site* classification are defined as follows:

ITEM	DESCRIPTION
Purchase Price of Property	The eligible costs associated with the acquisition of real property.
Appraisals	Costs associated with securing real property appraisals and necessary updates as mandated.
Escrow Fees	All charges normally included in the escrow agreement such as: • escrow charges • title insurance • loan fees *Note: Property taxes are ineligible.*
Surveys	If required, the costs for a certified survey must include: • grades and lines of streets, pavements, and adjoining properties; • right-of-way, restrictions, easements, boundaries and contours of the building site; • locations, dimensions and floor elevations of existing buildings; • other improvements and trees; • full information as to available service and utility lines, both public and private
Site Support (85%)	See *Site Support Costs, on page 3-4*.
Relocation Assistance	Actual costs related to the displacement of any person, business, farm operation, or non-profit organization in conjunction with the acquisition of real property (see *Section 2, Relocation Assistance, page 2-7*).
Other	Justified fees which may include, but are not limited to, the following: • court costs • legal services (i.e., review of contracts, legal documents) • condemnation proceedings

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SITE SUPPORT COSTS

Introduction

Site support costs provide funds for the:

- preparation of environmental impact documents,
- development of relocation reports,
- determination of relocation claims,
- negotiation of site purchases.

Eligible State Funded Costs

The State will fund a maximum of 85 percent of the amount expended on eligible site support costs. The State funded portion will be deducted from the project's building cost allowance prior to issuing an authorization to bid the project.

Loan Option/ Repayment

The balance (15 percent) of the eligible costs must be funded by the district. The district may request an advance from the State not to exceed 15 percent.

The advance must be repaid as follows:

- Payments shall be equal to one-half of one percent of the district's prior fiscal year General and Adult Education Funds budgets, exclusive of amounts budgeted for capital outlay or debt services, to a maximum of $100,000.00 per year.
- Payments including interest are due on January 1, of each year until the advance is repaid. The first payment is due January 1, following the fiscal year in which the warrant is issued for the site support costs.

Note: The interest rate shall be established pursuant to Education Code Section 16334.

Required Document for Loan Option

The following document is required prior to release of *site support* loaned funds:

FORM	DESCRIPTION
SAB 507	District Resolution Certifying to Repay Additional Apportionment to the State Lease-Purchase Fund

Site support costs approved in the application shall be authorized for payment at Site (Phase S) SAB approval.

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B. Plans

Description

The eligible costs and fees associated with the *plans* classification are defined as follows:

ITEM	DESCRIPTION
Architect Fees	Fees as negotiated in the Architect's Agreement but not to exceed the SAB Architect Fee Schedule (see *Section 1, Architect Agreement, page 1-14*)
DSA/ORS Plan Check Fee	Fees as determined by the Division of the State Architect for the review of plans as required by law. Refer to Title 24, Part 1, Chapter 4 of the California Code of Regulations.
CDE Plan Check Fee	Fees as determined by the California Department of Education, School Facilities Planning Division, as required by law.
Energy Analysis Fee	Fees as determined by the SAB (see *Calculation of Energy Consultant Fee, page 3-23*).
Preliminary Tests	Includes the following costs: • soil tests, foundation tests, exploratory borings, and similar testing required prior to construction; • site investigation and reports pertaining to toxic and solid waste hazards where required by Education Code Section 17213.
Administrative Cost Allowance	An Administrative Cost Allowance is available to small districts only.
Other	Other plan costs such as: • advertising construction bids • printing limited to twenty-five plan sets for bidding and construction purposes • termite/dry rot inspection as necessary • asbestos/lead inspection as necessary

C. Construction

Description

Every new construction project receives an allowance to construct the building and provide for the full site development of a school site. The State's cost standard for site development is based on the current *Lee-Saylor Construction Cost Manual*. The eligible costs associated with the construction classification include the broad categories of building construction, site development, energy conservation, and supplemental funding for multi-story construction.

BUILDING COST STANDARDS

Introduction

The SAB has established cost standards for the construction of eligible school building facilities. The building construction cost standards may not be exceeded.

Building Types B & D

The following chart describes the building types utilized under the State School Building Lease-Purchase Program:

BUILDING TYPE *		
COMPONENT	**CLASS B**	**CLASS D**
Floors/Roofs	• reinforced concrete on steel decking; or • formed slabs resting on the frame; or • poured to become an integral part of frame • composed of prefabricated panels which may be mechanically stressed	• supported on wood or steel joists or trusses • ground floor may be concrete slab • upper floors may be concrete plank, steel deck or wood
Exterior Walls	• masonry or reinforced concrete, metal, glass, or stone	• closely-spaced wood; or steel studs • skeleton wood frame on which some form of curtain wall is applied (includes pre-engineered pole buildings), • load-bearing or non-bearing (non-bearing walls may be supported by columns, bents, or arches constructed of concrete, steel or wood)
Interior Partitions	• masonry, reinforced concrete or gypsum • light-weight & movable partitions are used as non-bearing walls	• no specific attribute

*Building cross sections must be provided for both new and modernization projects to verify building type.

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Base Cost Standards

The Class B and Class D base building cost standards are identified on the schedule which follows. Please note, each building area is priced at the facility classification most nearly represented in the plans.

FACILITY CLASSIFICATION		UNIT COST PER SQUARE FOOT	
		CLASS B	CLASS D
TEACHING STATIONS	Arts and crafts, high school & intermediate	$81.78	$78.86
	Business machines	81.21	78.31
	Homemaking	92.14	88.85
	Kindergarten	82.24	79.30
	Music, high school & intermediate	91.90	88.62
	Science, General	85.98	82.91
	Science laboratory (above grade 6)	117.33	113.14
	Shop, high school & intermediate	85.94	82.87
	Standard, elementary	81.16	78.26
	Standard, high school & intermediate	77.68	74.91

Continued on the next page

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Base Cost Standards, continued

FACILITY CLASSIFICATION		UNIT COST PER SQUARE FOOT	
		CLASS B	CLASS D
NON-TEACHING STATIONS	Administrative spaces	$91.23	$87.97
	Corridor, enclosed	71.55	68.99
	Corridor, covered	35.96	34.68
	Gymnasium	111.26	107.29
	Kitchen	136.63	131.75
	Food Service	79.71	76.86
	Library	88.29	85.14
	Multi-purpose, Type I	91.61	88.34
	Multi-purpose, Type II	78.48	75.68
	Performing Arts Facility	116.32	112.17
	Resource Specialist Program (RSP)	83.10	80.14
	Shower/Locker	101.15	97.54
	Staff Workroom	87.19	84.08
	Storage, Mechanical and Janitor	67.73	65.31
OTHER FACILITIES	Toilets	187.12	180.44
	Warehouses and Agricultural	40.45	39.01
	Employee parking basements	40.45	NA
	District Maintenance	68.35	65.91
	Other	87.19	84.08

FACILITY CLASSIFICATION		ABBREV.	UNIT COST PER SQUARE FOOT	
			CLASS B	CLASS D
NON-SEVERE HANDICAP	Specific Learning Disability	SLD	$83.10	$80.14
	Mildly Mentally Retarded	MMR	83.10	80.14
	Severe Disorder of Language	SD	92.51	89.21
SEVERE HANDICAP	Visually Handicapped	VH	89.38	86.18
	Orthopedically and Other Health Impaired	OOH	83.10	80.14
	Autistic	AUT	89.38	86.18
	Severely Emotionally Disturbed	SED	89.38	86.18
	Severely Mentally Retarded	SMR	89.38	86.18
	Developmentally Handicapped	DH	89.38	86.18

Special Day Complex

A special day complex consists of at least one special day class teaching station as well as a medical therapy unit. In addition to instruction space, the teaching station and/or medical therapy unit may include toilets, showers, changing areas, large equipment storage and daily living skills space.

The medical therapy unit may also include clinic/administrative areas, waiting areas for out patients and clients and space for physical and occupational therapy activities.

The Class B and Class D base building cost standards for a special day class complex are identified on the schedule as follows:

FACILITY CLASSIFICATION		ABBREV.	UNIT COST PER SQUARE FOOT	
			CLASS B	CLASS D
SEVERE HANDICAP	Severely Mentally Retarded	SMR	$90.50	$87.26
	Orthopedically and Other Health Impaired	OOH	88.70	85.54
	Developmentally Handicapped	DH	94.08	90.72
	Deaf-Blind/Multi	DBM	94.08	90.72

Note: The cost standard for toilet and shower areas located within a Special Day Complex are calculated according to the *Base Cost Standards (see pages 3-7 & 3-8).*

Adjustment Indices

The following adjustment factors, where applicable, are made to the base building cost allowance:

TYPE OF ADJUSTMENT	BUILDING TYPE	
	CLASS B	CLASS D
Construction Cost Index Factor	✓	✓
Geographic Area Index Factor	✓	✓
Small Building Index Factor	✓	✓
Urban (Dollar Amount)	✓	✓
Security Allowance (Dollar Amount)		✓

Construction Cost Index

The current construction cost index for Class B or Class D, as applicable, is applied to the base building cost allowance and are provided by Marshal & Swift.

The final allowance is determined utilizing the indices in effect at the time the project is first bid.

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Geographic Area Adjustment

An adjustment factor for the geographic area in which a project is located is applied to the base building cost allowance (see *Appendix 11, Geographic Adjustment Factors*).

Small Building Index

An adjustment factor is applied to projects containing less than 12,000 square feet of building area. Use the following chart to determine the appropriate small building adjustment:

BUILDING AREA (SQUARE FEET)	MULTIPLIER	BUILDING AREA (SQUARE FEET)	MULTIPLIER
Under 800	1.15	6,400 – 7,199	1.07
800 – 1,599	1.14	7,200 – 7,999	1.06
1,600 – 2,399	1.13	8,000 – 8,799	1.05
2,400 – 3,199	1.12	8,800 – 9,599	1.04
3,200 – 3,999	1.11	9,600 – 10,399	1.03
4,000 – 4,799	1.10	10,400 – 11,199	1.02
4,800 – 5,599	1.09	11,200 – 11,999	1.01
5,600 – 6,399	1.08	12,000 or more	none

Urban Adjustment

An urban adjustment is applied to the building cost allowance accordingly:

<table>
<tr><th>CLASS B</th><th>CLASS D</th></tr>
<tr><td>An urban adjustment factor of 24 percent will be applied to the Class B building cost allowance for those projects located in areas of high property values and high population density.</td><td>An urban adjustment factor of one percent will be applied to the building cost allowance in areas of high population density.</td></tr>
<tr><td colspan="2">In either case, the district must provide justification describing the necessity of this adjustment. The circumstances which would warrant this adjustment include:
• existing site is less than 75 percent of the CDE's recommended site size,
• extent of development on surrounding property, and
• existence and extent of traffic congestion.</td></tr>
</table>

The architect must provide a list of costs he anticipates the contractor will add to his bid for unique urban costs such as remote warehouse costs, material transportation to the site, security costs, employee parking costs, etc.

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Security Adjustment

In areas where high crime rates exist, a security allowance may be provided for those Class D construction projects requiring security fencing, other protective structures and a watchperson. These items must be described in the plans and/or specifications. The district must provide justification describing the necessity of these security measures. The circumstances which would necessitate this adjustment include:

- Lack of site space for contractor to work and store materials;
- High risk of vandalism and theft (materials must be delivered to and from the site daily);
- Twenty-four hour, seven day, around the clock watchperson is required;
- Union agreement of basic trades requires contractor to provide parking for trades men, and;
- Increased premiums for insurance during construction in high density areas.

Final Adjustment to the Building Cost Allowance

A final cost allowance is determined as an outcome of OPSC's review of the final plans. The allowance is adjusted according to the construction cost index in effect as of the date of the issuance of the bid authorization. The allowance is adjusted for the final time based on the construction cost index in effect as of the date of the bid opening. ❦

DEMOLITION

Description

Costs associated with the removal of building(s) which stand in the footprint and /or inhibits access to the proposed building are considered demolition costs. All itemized demolition costs will be given individual funding consideration. ❦

INTERFACING

Allowable Costs

Eligible interfacing costs include those costs associated with the connection of electrical, intercom, fire alarm and communication systems of an existing building to a new building area. All itemized interfacing costs will be given individual funding consideration. ❦

MULTI-STORY REPLACEMENT OF FACILITIES

Introduction

The district is eligible for replacing single-story school building(s) with one or more multi-story structures if the existing school site is less than 50 percent of the recommended site size as determined by the CDE, School Facilities Planning Division. The request for the replacement of single-story facilities at a project site must be made prior to the construction apportionment (Phase C).

Replacement of Portable Facilities

There are additional requirements for portable facilities replaced with multi-story structure(s):

- A district-owned portable 20 years of age or older may be either moved or replaced,
- A district owned portable less than 20 years of age must be moved,
- If a portable is moved to another site, the relocation costs are eligible expenditures and the portable building area will be included in the calculation of the districts "existing adequate area".

Note: Proceeds from a sale of a portable facility are considered available rent.

Multi-Story Replacement Facility

When a single-story facility is replaced with one or more multi-story buildings, not more than one-third of the final project area may represent the area of the replaced single-story facility.

Cost Standards/Area Assessment

The area being replaced as part of a project is subject to State cost standards (see *Building Cost Standards, pages 3-6 through 3-11*). This area will be considered in the district's calculation of "existing adequate area". ❦

UTILITY SERVICES

Introduction

Utility service development include improvements of water, sewer, gas, electric and telephone. These improvements provide service from the closest existing utility connection to the project site meter or major building lateral location. Connection fees associated with the utility connection are also eligible project cost.

Eligible Utility Services Expenditures

The following utility services may be included as eligible project expenditures:

SERVICE	DESCRIPTION
Water	• The installation of a main supply line (domestic water only) from the utility company connection to the meter. • Meters not provided by the serving utility. • Installation of a domestic water system, to include a well, pump and necessary appurtenances (except a pump house), from the main supply line to the first building lateral. • Connection fee (funds deferred for invoice verification).
Sewage	• The installation of main sewage disposal line from the utility company connection to the first building lateral. • The installation of a sewage treatment/disposal system and a main disposal line from the treatment system to the nearest building lateral of the collection system. • Connection fee (funds deferred for invoice verification).
Gas	• The installation of main supply line from utility company to the meter. • The installation of meters not provided by the serving utility. • Connection of a Liquefied Petroleum Gas (LPG) system from the main supply line to the first building lateral (including storage tank costs if purchased). • Connection fee (funds deferred for invoice verification).
Electric	• The installation of service from the serving utility to the building switchboard. Primary electric service runs from the utility company's point of connection to the transformer. Secondary electric service runs from the transformer to the switchboard. Distribution panels or switch gear are considered building cost items. • Transformers, transformer pads and protective bollards. • Connection fee (funds deferred for invoice verification).
Telephone	• The installation of service from the serving telephone company to the nearest distribution center.

Additions to Existing Schools

For additions to existing schools, all utility services must connect to the nearest available site source. If it is necessary to do otherwise, a registered engineer must certify that the existing lines will not adequately support the new facilities and that new routing is therefore required.

Connection Fees

Connection fees that are eligible must be delineated on the cost estimate. At the time of bid approval, these connection fees will be deferred and released upon invoice verification. An itemized invoice issued by the serving utilities must be submitted to the assigned OPSC project manager for review and release of these funds to the district.

Ineligible Utility Services

The following items are not eligible as utility service improvements:

- Any oversized installation beyond school needs;
- Line installation that is not part of shortest connection from serving utility to school site connection;
- Any portion of a utility that can be supplied by a utility company without charge;
- All heating systems and school communication systems, including public address systems;
- Cable television;
- Fences, or other protective structures relating to utility systems on school grounds;
- Any:
  a) electrical, water or gas service beyond the meter,
  b) sewer service beyond the building lateral,
  c) telephone service beyond the distribution center, (building cost).

In all cases, items deemed "ineligible" but included in the plans and specifications must be in the Form SAB 506A and 506B cost estimates. ❦

CAPITAL DEVELOPMENT FEES

Introduction

Public utility agencies have the authority to levy user fees for the cost of capital development facilities to provide service to schools. Capital development facilities fees may be included in a project as eligible costs but are limited to facilities which provide power, water, light, heat, communications, garbage services, drainage, flood control, or the collection, treatment, and disposal of sewage.

Note: Capital development fees are not connection fees.

State Funding Limitations

State funding for capital development fees is only available for service capacities that meet the needs of the lease-purchase project. Capital development fees levied by a local agency are reduced on a dollar-for-dollar basis for those service capacities constructed as part of the lease-purchase project.

Reimbursement agreements for service capacities beyond the need of the State funded project are not eligible for funding under the Lease-Purchase Program.

Required Documents

All requests for the funding of capital development fees as a component of a lease-purchase project must include the following information:

- written evidence from the serving utility that the capital facilities fee does not exceed amounts charged to comparable non-public users (i.e., county/city ordinance). In addition, any fee assessed to the district must not exceed the proportionate share of the public utility facilities benefiting the lease-purchase project (i.e., per acre assessment);
- a written statement prepared by the serving utility itemizing all fees levied against the lease-purchase project; and
- for service to be provided after March 24, 1988: . . ." a written agreement which summarizes the negotiations between the district and serving utility company". The district cannot enter into an agreement until authorized by the Executive Officer of the State Allocation Board. ❦

OFF-SITE DEVELOPMENT

Introduction

Off-site improvements located along the perimeter of the site include street grading and paving, storm drainage lines, curbs, gutters, sidewalks, and street lighting. These improvements are commonly dedicated for public use.

Eligible Off-Site Development

Development of a site, including existing improvements, may not exceed the State's established standards. Any off-site development may not be performed on more than two sides immediately adjacent to the site. The following are off-site development State standards:

IMPROVEMENT	STATE STANDARDS
Paving of streets, curbs & gutters (includes existing improvements)	One-half of the width of a standard residential street not to exceed 20 feet from the top face of curb to centerline of street less any existing paving. Note: For roadways of a width or standard greater than those of a normal subdivision, the ineligible improvement costs may be funded by local municipality (Street and Highway Code, Section 2117) or may be included as general site development improvements for the project.
Sidewalks	Five foot width of sidewalk Note: Any portion of a sidewalk in excess of the five foot width is not eligible as an off-site development improvement but may be funded as a general site development improvement.
Street lighting, planting areas, street signs, traffic signals, street trees	Eligible only when mandated by local ordinance or is currently so developed.

Note: Local entities having jurisdiction of areas where the off-site development is proposed, must approve the related plans and specifications.

Rough Grading

When off-site development includes rough grading, the eligible portion of the off-site street improvements may be included in service site development costs when designed to balance cut and fill quantities. The cost estimate must specify the quantities needed to provide a balance of cut and fill.

Ineligible Off-Site Development

Any ineligible off-site development costs that are included in the plans and specifications must be included in the Form SAB506A and Form SAB506B cost estimates. Costs relating to off-site development improvements including rough grading which benefit adjacent properties without those properties equitably sharing in the cost are ineligible for State funding. Therefore, the associated costs (i.e., planning, testing, inspection services, etc.) are not eligible.

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SERVICE SITE DEVELOPMENT/FIRE CODE REQUIREMENTS

Introduction

Service site development improvements are performed within school property lines and may include site clearance, rough grading, soil compaction, drainage and eligible erosion control. This portion of the site preparation is accomplished prior to the general site development and the construction of buildings.

Eligible Service-Site Development

Eligible service site development improvements are described in the following table:

IMPROVEMENT	DESCRIPTION
Site Clearance	Removal of trees, brush, debris, etc. Also includes demolition.
Demolition	Demolition and removal of existing buildings and site improvements which lie in the footprint of a proposed building or general site development improvements.
Removal/Relocation of Utility Service	Removal and rerouting of existing utility service which lie in the footprint of a proposed building or proposed parking lot.
Rough Grading	Grading of required contours, including cut and fill, leveling and terracing operations. May include off-site cut and fill operations (see *Off-Site Development, Rough Grading, page 3-15*).
Soil Compaction	Soil compaction adhering to common engineering practices. Engineered fill required by soils report must be submitted for review.
On-Site Drainage Facilities	Inlets, below grade drainage facilities and retention basins. Note: Does not include the surface drainage of football fields and running tracks.
Erosion Control/ Embankment Improvements	For embankments having a slope of 2:1 and a vertical height greater than six feet, erosion control improvements such as plant material, sprinkler systems, jute mesh and straw are eligible. Stairways, handicap ramps and retaining walls are also eligible.
Portable Facilities Relocation	Relocation of existing portable buildings which lie in the footprint of a proposed building or proposed parking lot to a permanent site. A portable building may be moved to a permanent on-site location one time only during construction. Note: The replacement of general site development items which were displaced as a result of a building relocation may be funded as general site development above the general site development allowance. These costs are approved by the SAB on a case-by-case basis.

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Eligible Service-Site Development, (cont)

IMPROVEMENT	DESCRIPTION
Fire Code Requirements	All-weather fire service roads and site access gates necessary to meet the State Fire Marshal requirements and which do not provide a dual use. An all-weather fire service road is defined as not exceeding 20 feet in width and composed of two inches of asphalt concrete over a maximum of six inches of aggregate base. Hydrants and related water supply lines required by DSA are an eligible service site cost. Note: Sprinkler systems and serving connection lines are building costs. Full school sprinkler systems are eligible in conjunction with an independent water system (well) when designed in lieu of hydrant systems.

Bid Options for Service Site

The following options for bidding service site development contracts *are*:

NEW SCHOOL	
CIRCUMSTANCE	ACTION
Estimated Site development not exceeding $100,000.	Site development work may be bid in concert with building contract. The total bid may not exceed the project's cost allowance established prior to the bid.
Estimated Site development in excess of $100,000 or 10% of the estimated building cost, whichever is larger.	Site development is required to be bid independently of building contract.

ADDITIONS TO EXISTING SCHOOL		
CIRCUMSTANCE	OPTION A	OPTION B
Site development in excess of $100,000.	Site development bid independently of building contract.	Site development bid in concert with building contract. The bid may not exceed the project's allowance established prior to the bid.

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Development Separate Bids

When the service site development is bid independently of the building contract, the work must be designed as a wholly separate contract rather than as an alternate to the building contract.

When bid separately, site development may include utility and off-site development, service site development and general site development. The general site development will be prorated to the amount of the separate bid to compute the remainder of the general site development allowance.

Ineligible Service Site Development

Any excess or ineligible service site work included in the plans and specifications must be included in the Form SAB 506A and Form SAB 506B cost estimates. ❦

General Site Development

Introduction

General site development items encompass the exterior finishing detail of the site. This development is normally performed on-site. However, when elected by the district, general site improvements may include excess off-site or service site development work.

Eligible General Site Development Items

General site development improvements are described in the following table and are deemed eligible project costs not to exceed the SAB general site development allowance.

IMPROVEMENT	DESCRIPTION
Finish grading	Final design grade.
Roads/driveways, walks, stairs, ramps, parking area, curbs and gutters	On-site facilities for vehicle and foot traffic.
Turfed/paved play area, permanent playground equipment, outdoor classrooms and places of assembly, tennis and handball courts, baseball fields, construction and surface drainage of football fields and running tracks	Outdoor instruction and play facilities. Paved, covered outdoor areas are counted and allowed as open corridor areas.
Concrete V-gutters	Drainage of on-site parking lots and field or bark areas
Planting/sprinkling, aesthetic terracing	Landscaping of building frontages, courtyards, and parking areas.
Sprinkling system, topsoil and turf	Outdoor teaching stations and play areas.
Construction/surface drainage	Football fields and running track.
Fencing, outdoor walls/screens, shelters not providing rain protection, flagpoles, utility enclosures, incinerators, pump houses, outdoor safety lighting and on-site fire lines and hydrants	Protective and service facilities.

Note: All general site items designed in excess of the computed allowance must be wholly funded by the district.

General Site Development Allowance

All new construction projects are eligible for a general site development allowance. The allowance is generated from a standardized calculation derived from the established building allowance for the project and the net gross site acreage, excluding any street easements, as recommended by the CDE.

The general site development allowance derived from the established building allowance is determined as follows:

GRADE LEVEL	ALLOWANCE
High Schools (9-12 and 10-12)	Five percent of the building allowance.
All other grades	Eight percent of the building allowance.

The portion of the allowance based on the gross site acreage, excluding any easements, is determined by the following circumstances:

CIRCUMSTANCE		ALLOWANCE
A	A new school wherein site acreage is acquired as part of the project application or a new school built on a district- owned site.	$15,000.00 per acre portion thereof.
B	Addition of building(s) to an school located on a district-owned site or acquisition of additional acreage at a district-owned site.	$15,000.00 per acre not to exceed existing the difference between the capacity of the existing facility and the master-planned capacity of the school. When not included in any prior project as master planned allowance.
C	Acquisition of additional acreage at a district-owned site wherein the existing acreage and proposed acreage additions less than 75 percent of that recommended by the CDE.	Special consideration will be given to those projects wherein a need for additional general site development improvements is justified. In this instance, the *general* site development must be bid separate from any other project contract as case-by-case general site.

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Additional Funding for Multi-Story Construction

Introduction

For those schools located in a densely populated urban area where site acquisition costs are high, incentives in the form of a supplemental allowance and replacement of facilities are available:

INCENTIVE	DESCRIPTION
Supplemental Allowance	Provides additional funding to alleviate the problems of a small school site. (see *Supplemental Allowance, page 3-21*).
Replacement of Facilities on sites with less than 50% of site size recommended by CDE.	Replaces single-story facilities with multi-story structures provided the replacement area does not represent more than 1/3 of the total project area. If the replacement area represents more than 1/3 of the total project area, the SAB would consider the request on a case-by-case basis. (see *Multi-Story Replacement of Facilities, page 3-12*).

Required Documents

In order to receive additional funding for Multi-Story construction, the following documents are required:

FORM	DESCRIPTION	Supplemental Funding	Replacement of Facilities
☐ SAB 506	Application for Apportionment	✓	✓
☐ None	Letter Appraisal	✓	
☐ SAB 502	Supplemental Funding Calculation	✓	
☐ SAB 600	Lease-Purchase Justification Document Showing growth eligibility. Current (within year of application).	✓	✓

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Supplemental Allowance

Introduction

A supplemental allowance is available to those projects wherein the actual pupil density of the project site exceeds that recommended by the CDE, School Facilities Planning Division.

Eligible Supplemental Funding Expenditures

The following table describes eligible supplemental funding expenditures:

TYPE	DESCRIPTION
Enhancements	Construction items which will enhance the project in such a way as to mitigate the small site size.
Additional Building Area	Building area funded solely with the "Supplemental Funding" allowance.
Miscellaneous Items	These items may include but are not limited to: • fire safety (sprinkler and fire alarms) • handicapped access • playground apparatus • duct shafts, utility tunnels and pipe conduit chases • security features

Form SAB 502

Use of the *Supplemental Funding Calculation* (Form SAB 502) will determine the amount of supplemental funding available to a project.

Letter Appraisals

For purposes of establishing an approximate cost for the acquisition of real property and completing the Form SAB 502 the district must submit two letter appraisals for each parcel to be acquired.

Form SAB 600

The *Lease-Purchase Justification Document,* Form SAB 600, must identify all building area to be funded with the supplemental allowance calculation of the district's adequate building area.

Justification Letter

The district must provide a justification letter detailing the allocation of the supplemental funding allowance in relieving the effect resulting from a less than adequate site size.

Final Project Plans

All items to be funded from the supplemental funding allowance must be clearly identified on the plans. These enhancements must be noted on the plans as "supplemental funding" items.

Cost Estimates

A delineation of all items to be funded with the supplemental funding allowance must be identified on the cost estimates (Forms SAB 506A and SAB 506B). In addition, separate cost estimates identifying *only* the supplemental funding allowance expenditures must be submitted.

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Deferment of Supplemental Funding Allowance

The district may opt to defer a portion of the supplemental funding allowance for specific expenditures to be completed subsequently to the project's main construction contract. These items and the associated costs must be identified prior to the acceptance of main construction bid. ❦

Energy Conservation

Introduction

The SAB provides a supplemental allowance to those projects promoting the use of cost effective energy conservation measures and renewable resource technologies.

Eligibility

A life-cycle cost comparison of the costs and benefits of a proposed project intergrating alternative energy measures with those of a proposed project including conventional energy measures will be reviewed by the OPSC to determine the district's eligibility for a supplemental energy conservation allowance. The supplemental energy conservation allowance is the difference between the cost of the alternate and conventional systems.

Required Documents

In order to determine energy conservation eligibility, the following documents are required.

ITEM	DESCRIPTION
Plans	Drawings depicting the projects energy conservation measures.
Life-cycle cost comparison analysis	A life-cycle cost analysis supporting the district's application for the supplemental allowance.
Form SAB 506B (Cost Estimate)	The requested supplemental energy conservation allowance must be identified in the "construction" category in the cost estimate.
1A Diagram	The 1A diagram must identify the building areas in which the use of energy conservation measures are proposed.
Consultant Contract/ District Certification	Evidence of the district's contractual agreement with the energy conservation consultant for services rendered relative to the project. Evidence may include a District Board resolution or legal agreement between the consultant and the district.

Note: It is advised that the energy conservation documents be submitted at the design development stage (Phase P) of the project. However, these documents must be submitted before final plans have been approved by DSA to be eligible for funding.

Calculation of Energy Consultant Fee

The school district is expected to negotiate an agreement with the energy consultant which is most favorable to the State in regard to compensation for professional services. The maximum schedule of fees calculated are based on the total amount of the approved proposed energy conservation measure as follows:

APPROVED SUPPLEMENTAL ALLOWANCE	FEE(%) (NOT CUMULATIVE)
Up to 50,000	7.5
50,001 — 100,000	6.5
100,001 — 200,000	5.5
200,001 — 300,000	5.0
300,001 — no limit	4.5

For example, an approved supplemental energy conservation allowance of $200,500 would be calculated at a fee not to exceed five percent. The fee totals $10,025.

The energy analysis consultant fees must be identified in part B. Plans, Energy Analysis Fee category on the Forms SAB 506A and SAB 506B cost estimates.

Calculation of Architect Fees

Since the energy conservation system is included in the plans and specifications the architect fee is calculated based on the amount of the construction contract which included the energy conservation measures. Upon the OPSC's approval of the energy analysis and the establishment of an energy conservation allowance, a recommendation to apportion energy analysis consultant fees will be made to the SAB at Construction (Phase C) approval.

Apportionment of Energy Analysis Consultant Fees

Final energy analysis fees will be released with the construction contract, after the Construction (Phase C) and bid approval. An estimated amount for energy consultation fee is calculated in the Planning (Phase P) approval and available to the district for energy analysis fees.

Fund Release of Final Energy Analysis Consultant Fees

Upon the OPSC's approval of the supplemental energy conservation allowance, a recommendation to apportion the allowance will be made to the SAB at the time of the construction apportionment (Phase C).

Apportionment of Energy Conservation Allowance

Since the energy conservation measures are included in the building construction contract, these funds are released with the construction contract. ❦

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DEFERRED ITEMS

Description

Eligible construction items that are not included in the plans and specifications and are to be performed at a later date may be deferred for the future. In order for a reservation of funds to be made, these items must be clearly identified on the cost estimates and plans. An itemized invoice issued by the vendors who provide the work for these deferred items must be submitted to the OPSC for review. The OPSC will make a determination of whether or not the costs are eligible for State Funding. ❦

D. Tests

Description

The school district, in accordance with Title 24, Part 1 of the California Code of Regulations, is responsible for all necessary tests during the project's construction phase. Verification of costs must be submitted to the OPSC at time of audits.

Tests performed during construction may include soil compaction/fill tests, materials testing, etc. ❦

E. Inspection

Description

In accordance with Title 24, California Code of Regulations (CCR), inspection services are required during the construction of all facilities. The school district, must solicit proposals from several DSA certified inspectors known by reputation as being well qualified and experienced in the construction of public schools. The district is responsible for negotiating an agreement with the inspector in regard to compensation for professional services economical for cost reimbursement.

Inspector's Salary

The estimate for the inspector's salary must be in accordance with prevailing wages for comparable services. Inspection costs will be approvable for a period not exceeding the legal duration of the construction contract. The contract period is terminated upon the filing of the Notice of Completion.

Additional inspectors fees may be approved for those contracts in which a time extension was granted through the OPSC change order process.

Inspection fees are allowed for the legal duration of the construction contract(s) as approved by the Office of Public School Construction plus an additional 35 calendar days for work the district has deemed incomplete at the close of the construction contract period.

Inspector's Role

The inspector shall act under the direction of the project architect or registered engineer in assuring compliance with the approved plans and specifications. The inspector must inspect every part of the work. In no case, shall the inspector have or assume any duties which would prohibit continuous inspection.

Note: A school district official/employee may not provide inspection services for their own school project regardless of qualifications. ❦

F. Furniture and Equipment

Introduction

A furniture and equipment allowance is provided to each project to adequately equip all spaces and functions within the facility with the proper movable furniture and equipment items. The furniture and equipment allowance is generated by the eligible building area and facility classifications.

Preliminary Allowance

The following chart is used to determine a preliminary estimate at Construction (Phase C) for the furniture and equipment allowance. The final allowance will be determined by the OPSC upon approval of the bid.

GRADES SERVED	ALLOWANCE PER SQUARE FOOT
K – 6, K – 8	$5.00
6 – 8, 7 – 8, and 7 – 9	6.00
9 – 12, 10 – 12	7.00
Continuation High	8.00
Special Education	10.00

Final Maximum Allowance

The maximum furniture and equipment allowance, as established at the bid approval, is as follows:

- New construction applications are limited to 100 percent of the calculated allowance.
- Modernization, reconstruction and replacement of abandoned facilities applications are limited to 50 percent of the calculated allowance.*

* The allowance provided for modernization, reconstruction and the replacement of abandoned facilities is limited to 50 percent of the maximum allowance because inventory remains from the original facilities.

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Central Kitchens

An allowance is provided to those projects including a central kitchen which services at least two satellite serving kitchens in addition to its central kitchen site.

In order to receive a central kitchen allowance, the district must provide:

- identification of the schools which house the satellite serving kitchens; and
- the number of pupils to be served by the central kitchen.

Furniture and Equipment Cost Index

Once the preliminary or final furniture and equipment allowance has been determined apply the current furniture and equipment cost index factor. The furniture and equipment cost index factor is adjusted quarterly.

Furniture and Equipment Included in the Contract

If the construction contract includes eligible furniture and equipment items, the district must submit an itemization of proposed purchases and the associated unit costs. The cost of these items will be transferred from the furniture and equipment allowance to the project's construction allowance. In addition, the architect fee, calculated at eight percent of the cost of these items, will be reduced from the furniture and equipment allowance.

Ineligible Expenditures

Built-in or fixed equipment (fixtures) and supplies are not considered movable furniture and equipment items, and are generally funded with the building construction allowance. In addition, furniture and equipment funds may not be utilized for the purchase of equipment for adult education, community use, or for intramural or inter-school sports as distinguished from the required physical education program of the district.

Audit of Furniture and Equipment Expenditures

Upon completion of the project, an audit of the district's furniture and equipment expenditures is conducted wherein any ineligible expenditures are reduced from the project. If prior to the final audit, the district has not completed purchasing all the furniture and equipment necessary for the project, the district must submit a list of purchase orders or encumbrances for the balance of the unexpected furniture and equipment items. This action will reserve funds for future furniture and equipment expenditures.

OPSC Review

Upon the district's request, the OPSC will conduct a courtesy review of the district's anticipated furniture and equipment purchases. ❦

G. Contingencies

Calculations of Contingencies

Contingencies in the project budget provide a means for financing eligible unforeseen costs necessary to complete the project.

The contingency amount is calculated at 1½ percent of Item C, the construction category, as delineated on the cost estimate. In addition, an amount of $2,000 is allocated to this category.

Eligible Expenditures

Upon a bid approval and authorization by the OPSC Executive Officer, expenditures from the contingency fund are allowable under the following circumstances:

TYPE OF EXPENDITURE	CIRCUMSTANCE
Non-Construction	For cost increases *not* involving changes to a construction contract (i.e., inspection, tests, etc.), a transfer of funds to the budget item requiring the increase may be requested when: • Prior to 90 percent construction completion (building), the District Representative must submit a written statement requesting a transfer of funds from the contingency fund to the specific budget item requiring the increase. • After 90 percent construction completion (building), funds will be automatically transferred based on the project's expenditure reports as submitted to the OPSC.
Construction	For cost increases involving the construction contract (i.e., site development, building construction, etc.), a formal change order must be submitted to the OPSC (see *Section 7, Change Orders, page 7-1*).

Ineligible Expenditures

The contingency fund is not available for any expenditures deemed ineligible such as:

ITEM	DESCRIPTION
New Construction (Building)	Cost increases associated with the building portion of the construction contract that exceed the difference between the "bid allowance" and the "acceptable low bid" as established at the time of the bid approval.
General Site Development	Cost increases associated with general site development that exceed the general site development allowance as established by law and as calculated at the time of the bid approval.

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Construction Plans - Not Yet Approved By DSA

Introduction

The non-DSA approved construction plans are intended to supply sufficient information concerning quantities and types of work and materials to adequately support the cost estimate. These plans are used to develop a construction budget in preparation for the construction funding (Phase C) SAB recommendation after submittal of the DSA approved final plans and specifications to the OPSC.

It is important for the district and architect to involve the various local entities in the design phase, including planning commission, utility companies and local fire marshal.

Required Plan Components

The following components reflect the minimum essential detail to be provided in the construction plans:

COMPONENT	DESCRIPTION
Title Sheet	• For purposes of determining the SAB geographic index, a vicinity map showing city location in relation to adjacent cities and major highways must be included. Refer to *Appendix 11, Geographic Adjustment Factors.* • Index to plans identifying all components of the plan set. • Legends/labels identifying all building areas. In addition, building area not included in the contract (N.I.C) must be noted. • North arrow and scale to be included on all plan layout sheets. • Site plan indicating location of existing and proposed facilities.
Civil Drawings	Civil drawings should indicate existing conditions and proposed changes in the site contour. A layout of the proposed installation of utilities services, on-site and off-site development should be included. Utility service connections may also be shown on plumbing and electrical site plans.
Architectural Drawings	• Complete dimensions of all buildings areas, including corridors, both interior and exterior. Building measurements are taken from the exterior rough wall line to the center line of interior walls and partitions. Covered unenclosed corridors are measured from the exterior rough wall line to the edge of any paving or the edge of the overhang, whichever is less. • All building area must be labelled with the appropriate facilities classification (see *Building Cost Standards charts, pages 3-6 through 3-11*). • Numeric designation for all areas calculated at the actual area. • Alpha designation for all areas calculated at less than the actual area, (i.e., covered unenclosed spaces). • Relocatable plans in sufficient detail to verify compliance with SAB standards.

Note: It is vital that the construction plans accurately represent the scope of the proposed buildings so that any incongruities may be identified and addressed in the early stages of the project.

Where to Submit Plans

In addition to submitting construction plans to DSA, the district must submit a set of non-DSA approved construction plans to each of the following:

AGENCY	SEND TO
Office of Public School Construction	On Autocad 14 format Office of Public School Construction 1130 K Street, Suite 400 Sacramento, CA 95814 (916) 445-3160
California Department of Education	California Department of Education School Facilities Planning Division Walk-in: 560 J Street, Suite 565 Sacramento, CA 95814 Mail-in: P.O. Box 944272 Sacramento, CA 94244-2720 (916) 322-2470

Relocatables

Relocatable classrooms are either built on-site or in a factory.

The relocatable classroom design (plans and specifications) must meet the OPSC requirements and be approvable by the DSA.

MANUFACTURED RELOCATABLES	RELOCATABLES BUILT ON-SITE
DSA approval, is not necessary prior to the entire project's receiving a Phase C approval. Performance plans and specifications are provided to the accepted bidder who then secures DSA approval.	DSA approval must be secured prior to a Construction (Phase C) approval.

Assistance

The OPSC offers a pre-plan review service to assist districts and architects in preparing project plans, specifications and cost estimates for review by the OPSC. Consult your OPSC project manager to arrange for this service. ❦

In this Section

This section discusses the following topics/subtopics:

TOPIC/SUBTOPICS	SEE PAGE
3A Diagrams: Diagrams of Existing and/or Proposed Facilities	4-3
Non-DSA Approved Final Specifications	4-6
• *Bid Form*	4-7
• *Construction Contract*	4-9
• *Bonds*	4-10
• *Substitution of Securities*	4-10

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3A Diagrams: Diagrams of Existing and/or Proposed Facilities

Introduction

The 3A diagrams depict all existing and proposed facilities located on the project site. The 3A diagrams must accurately reflect the buildings as dimensioned in the plans.

3A Diagram Components

The major components of the 3A diagrams are described below:

COMPONENT	DESCRIPTION
Plot Plan	Indicates location of new buildings included in the project and their relationship to existing structures.
Site Summary	Provides an itemization of all buildings/building area located on the project site.
Building Diagram	Complete dimensioning of all proposed buildings, including corridors, both interior and exterior. Building measurements are taken from the exterior rough wall line to the center line of interior walls and partitions. • All proposed building area must be labelled in accordance with the appropriate facilities classifications (*see Example 1: 3A, Diagram page 4-4).* • Numeric designation for all areas calculated at the actual area. • Alpha designation for all areas calculated at less than the actual area.
Area Computation	Indicates area computation detail and Sheet summary of proposed facilities (see *Example 2: 3A Diagram Computation Calculations Detail page 4-5*). The information on the computation is used to develop SAB building cost allowances.

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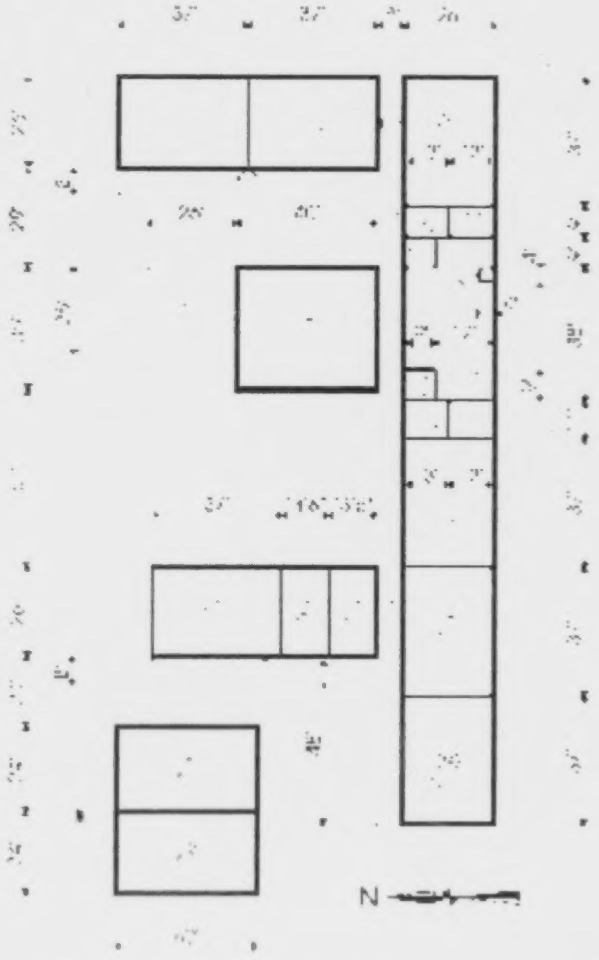
Example 1: 3A Diagram

La Forge School District, Riker Elementary School
Application No. 22/12345-*00-01*
Area
☑ New Construction
☐ Modernization/Reconstruction

Diagram of Building
☐ Existing 1-A
☑ Final 3-A



LEGEND

1	Standard Classroom
2	Standard Classroom
3	Standard Classroom
4	Janitor Room
5	Classroom (Workroom)
6	Toilet
7	Administration
8	Administration
9	Toilet
10	Administration
11	Administration
12	Standard Classroom
13	Standard Classroom
14	N.I.C. (Not In Contract)
15	Standard Classroom
16	Toilet
17	Toilet
18	Enclosed Corridor
19	Enclosed Corridor
20	Enclosed Corridor
21	Enclosed Corridor
22	Multipurpose Type I
23	Portable Std. Classroom
24	Portable Std. Classroom
A	Unenclosed Corridor
B	Unenclosed Corridor
C	Unenclosed Corridor
D	Unenclosed Corridor
E	Unenclosed Corridor
F	Unenclosed Corridor

The above is measured in accordance with the laws and regulations governing the State School Building Lease-Purchase Program.

Architect

Date

Continued on the next page

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Example 2: 3A Diagram Computation Calculations Detail

La Forge School District
3A Diagram
Riker Elementary School
OPSC Application No. 22/12345-00-01

	DESCRIPTION	DIMENSIONS	FULL AREA
1	Standard Classroom	26.0 × 37.0	962.00
2	Standard Classroom	26.0 × 37.0	962.00
3	Standard Classroom	26.0 × 37.0	962.00
4	Janitor Room	9.0 × 13.0	117.00
5	Standard Classroom (Work Room)	9.0 × 13.0	117.00
6	Toilet Room	9.0 × 9.0	81.00
7	Administration (Conference)	9.0 × 17.0	153.00
8	Administration (General Ofc.)	(38 × 26.0) – (9.0 × 9.0) – (4.0 × 4.0)	891.00
9	Toilet Room	9.0 × 9.0	81.00
10	Administration (Nurse)	11.0 × 13.0	143.00
11	Administration (Principal)	11.0 × 13.0	143.00
12	Standard Classroom	26.0 × 37.0	962.00
13	Standard Classroom	26.0 × 37.0	962.00
14	Standard Classroom	26.0 × 37.0	962.00
15	Standard Classroom	26.5 × 39.0	1033.50
16	Toilet Room (Boys)	26.0 × 13.5	351.00
17	Toilet Room (Girls)	26.0 × 13.5	351.00
18	Enclosed Corridor (Full Area)	26.0 × 8.0	208.00
19	Enclosed Corridor (Full Area)	35.0 × 8.0	280.00
20	Enclosed Corridor (Full Area)	26.0 × 8.0	208.00
21	Enclosed Corridor (Full Area)	4.0 × 4.0	16.00
22	Multipurpose Type I	35.0 × 40.0	1400.00
23	Portable-Standard Classroom	24.0 × 40.0	960.00
24	Portable-Standard Classroom	24.0 × 40.0	960.00
A*	Open Corridor	64.0 × 8.0	512.00
B*	Open Corridor	26.0 × 25.0	650.00
C*	Open Corridor	74.0 × 8.0	592.00
D*	Open Corridor	48.0 × 8.0	384.00
E*	Open Corridor	51.0 × 8.0	408.00
F*	Open Corridor	29.0 × 8.0	232.00
		Subtotal	15,970.00
		Less 2/3 Area (Open Corridor)	– 1,852.00
		TOTAL	14,118.00 SF

SUMMARY

FACILITY CLASSIFICATION		SQUARE FEET
Administration		1380.00
Classrooms, Standard		8771.00
Multipurpose Type I		1400.00
Janitor Room		117.00
Toilets		864.00
Enclosed Corridor (Full Area)		712.00
Unenclosed Corridor		2778.00
	Subtotal	15,970.00
	Less 2/3 Area (Open Corridor)	– 1,852.00
	TOTAL	14,118.00 SF

* Note: Show at full area

Non-DSA Approved Final Specifications

Introduction	Specifications must accompany the non-DSA approved final plan submittal for each contract. The OPSC does not dictate the contents of the specifications; however, certain items must be addressed.
Submittal	Specifications must be submitted with the plans on CD Rom or Zip disk. If this is not possible, submit the specifications on diskette with separate sub-files for each division.
Specification Components	The following components must be included in the specifications and submitted with the non-DSA approved plans to the OPSC: • Bid Form • Construction Contract • Bonds • Substitution of Securities
Cash Allowance Incentives	Cash allowance incentives (i.e., bonus for early contract completion) are not permitted.
Time and Materials	Items and/or labor approved and funded by the SAB may not be accomplished on a time and materials basis.
Use of District Personnel	The use of school district personnel to install and fabricate materials is prohibited.

BID FORM

Introduction

The bid form delineates the scope and terms of the contract. The format of the bid form is left to the discretion of the district. A prototype of the bid form is included in the project specifications and submitted with the non-DSA approved final plan package.

Required Elements

The following elements are required in the bid form:

ELEMENT	DESCRIPTION/REQUIREMENT
Identification	Indicate school name, location and general scope of the project.
Statement of Good Faith	The following language is suggested: "The undersigned hereby promises and agrees to furnish all labor, materials, equipment, mechanical workmanship, transportation, and services for the erection and completion of said work, in strict accordance with the plans and specifications". The bidder is legally bound to perform all of the work for a stated lump sum.
Base Bid	Contractor's cost to include the full scope of the project not including alternates.
Alternates	For New Construction: Limited to two deductive alternates with not more than ten building construction items. The alternates may not change. For Modernization/Reconstruction: Limited to five alternates, additive or deductive, with not more than 20 building construction items. Alternates must be building cost items only. The building area of the project.
Time of Completion	The number of calendar days necessary to complete the contract. The specified time for completion must be reasonable for the scope of the project.
Liquidated Damages	The amount per day to be deducted from the contract sum for construction delays beyond the expressed date of completion. Unusually harsh penalties for minor delays in meeting the contract terms are not acceptable.

Continued on the next page

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Required Elements (Cont.)

ELEMENT	DESCRIPTION/REQUIREMENT
Bid Bond	Contractors submitting bids must provide a bid bond in the amount of ten percent of the base bid, to insure the contractor's intent to culminate the contract. In lieu of the bond, the contractor may provide a cashier's check amounting to ten percent of the base bid. The bid bond must be issued by an admitted surety (an insurance organization authorized by the Insurance Commissioner to transact business of insurance in the State of California).
Notice of Bid Acceptance/Bid Life	It is recommended that a written notice of bid acceptance be issued within 60 days after the date of bid opening. At that time, the successful bidder must sign the construction contract and furnish the required bonds within five days of the notice of award.
Addenda	The bid form must indicate any addenda. The receipt of the addenda must be acknowledged by the bidder.
Designation of Subcontractors	The bidder must designate the names and location of the place of business of each subcontractor.

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CONSTRUCTION CONTRACT

Introduction

The construction contract is the agreement between the successful bidder and the district. The contract delineates the terms and scope of the project. A prototype of the construction contract must be included in the project specifications and submitted with the non-DSA approved final plans package.

Required Elements

The OPSC requires the following elements be included in the construction contract:

ELEMENT	DESCRIPTION
Identity of Project	Indicate school name and location.
Contract Amount	The full amount to be paid to the contractor for the scope of the work agreed upon in accordance with the provisions of the general conditions.
Time of Completion	The number of calendar days necessary to complete the contract. The specified time for completion must be reasonable for the scope of the project.
Liquidated Damages	The amount per day to be deducted from the final contract sum for construction delays beyond the expressed date of completion. Unusually harsh penalties for minor delays in meeting the contract terms are not acceptable.
Signatures	A signature block must be included for all of the following: • District's authorized agent, or quorum of the District's Board of Trustees • Contractor • District's legal counsel
Liability	Contracts between the school district and its General Contractor or Builder etc., must contain the following language: "The Contractor agrees that the State of California, including the State Allocation Board, is not liable for any damages of any kind arising out of this contract, and that the Contractor's sole remedy is against the District andonly the District is liable for any injury the Contractor may suffer under this contract."

BONDS

Introduction

The project specifications must include a facsimile of both the faithful performance bond and the labor and materials bond to be provided by the successful bidder.

Faithful Performance Bond

The bond of faithful performance assures that the contractor will perform each and all of the conditions set forth in the construction contract. The bonding must be equal to 100 percent of the construction contract sum and must be issued by an admitted surety (an insurance organization authorized by the Insurance Commissioner to transact business of insurance in the State of California).

Labor and Materials Bond

The labor and materials bond assures that the contractor and subcontractors will provide the labor and materials necessary to complete the terms of the contract. The bonding must be equal to 50 percent of the construction contract sum and must be issued by an admitted surety (an insurance organization authorized by the Insurance Commissioner to transact business of insurance in the State of California). ❦

SUBSTITUTION OF SECURITIES

Introduction

An option for the substitution of securities by the contractor must be included in the project specifications. Failure to provide this option shall void any provisions for performance retentions in the contract.

Terms of Security Substitution

The contractor may choose to have the District deposit ten percent of the contract amount in lieu of the district withholding any monies from progress payments. Normally, only 90 percent of each payment is released and the balance of ten percent is retained by the district. The substitution of securities guarantees 100 percent of each progress payment.

The substitution of securities by the contractor may be satisfied by any of the following:

- cash
- real property holdings
- other assets

Security Deposits

Securities in the amount withheld may be deposited with the following:

- District
- State or Federally chartered bank

Upon satisfactory completion of the contract, the security deposit plus any interest will be returned to the contractor. ❦

Preparing for Construction (Phase C) Approval:

Introduction

As part of the project's final design stage, the final plans and accompanying documents are developed by the project architect for each contract. The documents are used to establish a final construction budget.

The construction (Phase C) of the application provides funds which allow the district to initiate the construction of the school facilities.

Required Documents

The following documents are required to prepare an application for a Construction (Phase C) approval:

DSA APPROVED FINAL PLAN PACKAGE	
DOCUMENT NUMBER	DOCUMENT NAME
☐ none	DSA Approved Final Plans
☐ none	DSA Approved Final Specifications
☐ SAB 506A	Final Project Cost Detail
☐ SAB 506B	Final of Estimated Costs
☐ SAB 390	Certification of Changes to Final Plans and Specifications
☐ none	Addenda (if applicable)

In this Section

This section discusses the following topics:

TOPIC	PAGE
DSA Approved Final Plans and Specifications	5-2
Certification of Changes to Final Plans and Specifications, Form SAB 390	5-3
Addenda	5-3
Construction (Phase C) Apportionment	5-4

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DSA Approved Final Plans and Specifications

Introduction

The components of the DSA approved final plans and specifications are usually identical to those of the non-DSA approved final plans and specifications. (see *Required Documents, DSA Approved Final Plan Package, page 5-1*).

The DSA approved final plans and specifications must be submitted to OPSC for review. After review, a construction apportionment (Phase C) will be recommended to the SAB, as appropriate.

Separate Contracts

The SAB does not approve partial construction (Phase C) apportionments. When a project is comprised of more than one contract a construction apportionment will not be recommended to the SAB until the DSA approved plans and specifications for the entire project have been reviewed by the OPSC.

DSA Approval

The DSA plan approval is verified by an approved stamp which has been initialled by the Structural safety Section, Access Compliance Section, State Fire Marshal and includes an approval date.

As submittal of specifications are required by the OPSC to be on diskette, the specifications must include a certification from the district architect that the exact specifications on the diskette have been approved by the DSA. The certification must include the dates of approval and the appropriate DSA number(s) for structural safety, access compliance and fire safety.

Since the final plans and specification must be submitted electronically, the district must certify that the plans have been approved by the DSA.

3A Diagrams

The 3A diagrams are required at this submittal only if changes have occurred in the proposed building area and teaching station designations.

Where to Submit Plans Package

The DSA approved final plans and specifications must be submitted to:

SEND TO	FORMAT
Office of Public School Construction 1130 K Street, Suite 400 Sacramento, CA 95814 (916) 445-3160	Plan: CD ROM or Zip drive readable by AutoCAD 14 Specifications: Diskette with Certification

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Certification of Changes to Final Plans and Specifications, Form SAB 390

Introduction

The DSA approved final plan package submitted to the OPSC must contain the *Certification of Changes to Final Plans and Specifications* (Form SAB 390).

The purpose of this form is to certify any changes made to the DSA approved final plans since the non-DSA approved final plans package submittal. Any changes reported on the Form SAB 390 must be supported by revised cost estimates *Estimated Project Cost Detail* (Form SAB 506A) and *Summary of Estimated Costs* (Form SAB 506B).

In addition, changes to the DSA approved plans and specifications by means of addenda must be accompanied by the Form SAB 390.

Certification

The project architect is responsible for completing this certification. This certification addresses changes made to the following:

- Building area
- Teaching station designations
- Utility services, service site development, off-site development, and general site development

If no changes were made to the plans, a statement must be made to this effect on the Form SAB 390. ❦

Addenda

Introduction

Any changes made to the DSA approved final plans or specifications must be accomplished by means of addenda and must be submitted to OPSC, along with Form SAB 390, for review.

Reviewing Agencies

All addenda, except those affecting the management of the contract, must be approved by the DSA. However, the OPSC will accept non-DSA approved addenda at this stage of the project. DSA approval must be obtained prior to a construction fund release.

The OPSC must also review all addenda to determine the affect the addenda may have on the project. ❦

Construction (Phase C) Apportionment

Introduction

Upon review of the DSA approved final plan package as outlined in *Required Documents, page 5-1*, the OPSC will notify the district as to the projects final allowance and will prepare a recommendation to the SAB that the project application be approved and apportioned for construction (Phase C) funding.

Sites Not Previously District Owned

For those projects which include the acquisition of real property not previously owned by the district, a grant deed to the property or the *Site Ownership Certification* (Form SAB 509) is required prior to the construction (Phase C) SAB recommendation.

Fund Release

Construction (Phase C) funds will be released when an acceptable bid has been approved by the SAB and the district submits a *Construction Contract Certification* (Form SAB 599). (see *Section 6, Phase C Fund Release, page 6-4*). ❦

Preparing for Bid/Bid Approval

Introduction

When a project has obtained its construction (Phase C) apportionment, the district is authorized to proceed through the bid process.

Upon the district's receipt of an acceptable bid, and its subsequent submittal to OPSC, a recommendation to approve the bid will be presented to the SAB.

Required Documents

The following documents are required to prepare a bid approval:

DOCUMENT #	DOCUMENT NAME
☐ SAB 515	Summary of Bids
☐ none	Addenda
☐ SAB 506B	Summary of Estimated Costs

In This Section

This section includes the following topics:

TOPIC	SEE PAGE
Authorization to Advertise for Construction Bids	6-2
Post-Bid Opening Documents	6-3
Notice of Approval of Low Bid, Form SAB 513A	6-3
Construction (Phase C) Fund Release	6-4

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Authorization to Advertise for Construction Bids

Introduction

When a project receives a construction apportionment, the district is authorized to advertise for construction bids.

Bid Authorization Components

The OPSC's notification to the district of the final project allowance acknowledges specific items related to the bid and advises the district of particular obligations:

ITEM	OPSC ACKNOWLEDGMENTS
Addenda	Any addenda received by OPSC to date.
Bid Allowance	The construction cost allowance.
Project Area	The project's building area.
Deferred Construction Items	Those construction items deferred from the bid allowance for future release.

ITEM	DISTRICT OBLIGATIONS
DVBE Provisions	Compliance with Disabled Veteran's Business Enterprises Contract Participation Goals (see *Appendix 12, Disabled Veteran's Business Enterprises Contract Participation Goals, Page 12-1*).
Bid Life	Sixty-day bid life. (Recommended).
Submittal of Bid Documents	The district must bid project within one year of the construction apportionment (Phase C).

Re-Bid

Rejection of any or all bids must be reviewed by the OPSC. The district must secure its own legal counsel's opinion should it choose to reject any bid. In the event of a failed bid the OPSC is available to assist and provide expertise which may assist in a successful re-bid of the project. ❦

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Post-Bid Opening Documents

Introduction

When the district has received bids, its governing board holds bids under submission. In addition, the district specifies the bid it intends to accept subject to SAB approval.

Required Documents

The following documents are required prior to the OPSC initiating a bid approval:

DOCUMENT	DESCRIPTION
Summary of Bids	The district utilizes the *Summary of Bids*, Form SAB 515 to notify the OPSC of all bids received.
Bid Form	The bid form completed by the low bidder.
Addenda	Addenda as specified on the bid form that were not previously submitted to the OPSC.
Summary of Estimated	An updated *Summary of Estimated Costs* (Form SAB 506B) noting the actual bid costs as well as all eligible previous or future work not included in this bid.

Notice to School District of Low Bid Approval - Form SAB 513A

Introduction

The OPSC evaluates the bid documentation submitted by the district for compliance to program requirements.

Upon the OPSC acceptance of the appropriate bid documentation (see Topic *Post-Bid Opening Documents, above)*, the lowest bid is acceptable when it is within the project's established construction allowance. The project's construction allowance is updated to reflect the construction cost index as of the date of the bid opening.

When the low bid is deemed to be acceptable, the OPSC will recommend to the SAB that the contract be approved.

Form SAB 513A

Upon SAB bid approval, the OPSC will issue a completed *Notice to School District of Low Bid Approval* (Form SAB 513A) to the district. This notice specifies the following:

- Successful bidder; and
- Terms of the contract, including the acceptable contract amount; and
- Delineates the conditions for the contract's award. ❦

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Construction (Phase C) Fund Release

Introduction

The district is authorized to execute the construction contract and related documents once the *Notice to School District of Low Bid Approval* (Form SAB 513A) is received from the OPSC.

The construction fund release will be generated upon the district's submittal of the *Construction Contract Certification* (Form SAB 599). All remaining funds will be released with the exception of deferred items and contingencies.

Certification of Required Documents

The following documents are required to be certified to the OPSC on the *Construction Contract Certification* (Form SAB 599) prior to the release of construction funds:

<table>
<tr><th>DOCUMENT</th><th colspan="2">DESCRIPTION</th></tr>
<tr><td>Executed Construction</td><td colspan="2">A fully executed contract including the elements identified in <i>Section 4, Construction Contract, page 4-9.</i></td></tr>
<tr><td>Executed Bonds</td><td colspan="2">Fully executed and notarized:
• Performance Bond issued by an admitted surety (see <i>Section 4, Bonds, page 4-10</i>).
• Labor and Materials Bond issued by an admitted surety (see <i>Section 4, Bonds, page 4-10</i>).</td></tr>
<tr><td>District Certification</td><td colspan="2">If a district contribution is specified on the <i>Notice of Approval of Low Bid (Form SAB 513A)</i> a certification that the specified contribution has been deposited in the district's Lease-Purchase State School Building fund is required.</td></tr>
<tr><td rowspan="3">District's Acceptance Award of Contract</td><td>IF the contract . . .</td><td>THEN . . .</td></tr>
<tr><td>is signed by an authorized signatory on the Form SAB 506</td><td>a school board resolution or certified board minutes indicating the district's award of the contract to the successful lowest bidder is necessary.</td></tr>
<tr><td>is signed by the Board of Trustees</td><td>a school board resolution or certified board minutes is not necessary.</td></tr>
</table>

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Items Deferred For Future Release

Once the district has provided acceptable documentation of those items deferred from a construction contract and a final allowance is established by the OPSC, funds may be released (see *Deferred Items, page 3-24*).

Contingencies

Contingency funds are released as expenditures are justified (see *G. Contingencies, Eligible Expenditures, page 3-27*). ❦

Change Orders

Introduction

Once a project is under construction any changes or alterations to the DSA approved plans and specifications can be accomplished only through the "change order" process. The change order must be submitted to the OPSC for review in order to be eligible for funding.

Approval Criteria

In order for a change order to be approved, at least one of the following criteria must be met:

- The change is necessary for the health, welfare, and/or safety of the children.
- The change is required by the DSA/Office of Regulation Services.
- The change is necessary to complete the project as approved by the SAB.

Restrictions

Under the following circumstances, changes or alterations will not be approved:

- SAB cost standards are exceeded.
- Performance is subsequent to the filing of the "notice of completion".
- Performance is subsequent to acceptance by the governing body of the district.
- Items in the change order were included as a deductive alternate in the construction contract and the alternate was accepted by the district.

Modernization

All executed change orders shall be submitted as they occur. In addition, the DSA approved change orders will be required at close-out audit.

Any non-building cost change orders must be submitted for review and approval prior to funding.

Any unexpended building cost allowance not supported by expenditure reports shall be returned to the State.

Change orders may not exceed 25% of the current replacement value. The district may fund any excess up to 50% of the current replacement value.

Components

It is suggested that change orders be prepared according to the American Institute of Architects (AIA) Change Order G701 document. Change orders must include the following components:

COMPONENT	DESCRIPTION/REQUIREMENT
Application Number	Identify project's application number as assigned by OPSC.
School District/ School Name	Identify school district and name of project.
Contractor	Identify the contractor.
Documentation	A detailed description of the change required.
Justification	Provide a reason why changes are necessary.
Requester	Party requesting change.
Change in Price	Identify dollar amount of each item (add/deduct).
Architect's Statement	Architect must certify all of the following: • The changes are necessary; and • The district has reviewed and accepted the change; and • The request is valid; and • Approval is recommended and that costs do not exceed State allowances.
Signatures	The following signatures are required: • Contractor • School District • Architect • DSA

Preliminary Approval

Preliminary approvals from the OPSC are required on any item exceeding $100,000.00.

Maximum Funding

Funding of approved change orders for the following categories is limited to:

CATEGORY	MAXIMUM FUNDING
Utility Services, Off-Site Development, Fire Code Requirements, Service-Site Development or Demolition	Amount justified.
General Site Development	Balance of Allowance established prior to bid (see *Section 3, General Site Development, page 3-18*).
New Construction (Building)	Project's bid savings (difference between bid allowance and approved contract).
Multi-Story Construction	Allowance established prior to bid (see *Section 3, Additional Funding for Multi-Story Construction, page 3-20*).

Architect Fees

Architect fees will be calculated for all approved additive contract change order items with the exception of items resulting from errors and omissions on the part of the architect. Architect fees for change orders will be calculated based on the fees negotiated by the district but not to exceed the maximum SAB Fee schedule. ❦

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Close-out Audit of Expenditures

Introduction

A close-out audit is initiated when project expenditures have been reported by the district. A report is due within 90 days of the contract completion date and the final report is due within 90 days of the last expenditure. Failure to report could result in all project costs being declared ineligible.

Form SAB 184A

All project expenditures incurred must be reported in detail on the *Detailed Listing of Warrants issued by the District* (Form SAB 184A). The Description/Purpose column is used to explain the purpose of the expenditures in order to expedite the close-out process. This form is available through OPSC's Home Page on the Internet and can be sent to us via Internet e-mail.

Form SAB 184

The totals obtained from the Forms SAB 184A are summarized on *Summary of Expenditures and Construction Progress* (Form SAB 184). This form is also available through OPSC's Home Page on the Internet www.dgs.ca.gov/opsc/ and can be sent to us via Internet e-mail.

Required Documentation

The following documents, when applicable, are to be submitted with Forms SAB 184 and SAB 184A:

- *Notice to Proceed* from the architect to each contractor.
- Recorded copy of *Notice of Completion* for each contract.
- Final billing(s) from all contractors.
- Executed *Self-Certification of Interim Housing* (Form SAB 282) (*Modernization projects only*).
- Architect's final billing and any architect billings showing reimbursable costs
- Final Escrow Statement for each site parcel acquired (if site was purchased with state funds).
- Copies of invoices for any expenditures reported under the Construction Category on the SAB 184A which have not been authorized for a fund release on the *Standard Fund Release* (Form SAB 521). These invoices may be for deferred construction items such as utility costs or general site.
- Copies of DSA approved Change orders if they were not previously submitted to OPSC.

Exhibit "A"

When a close-out audit of project expenditures reported by the district has been completed by the OPSC, a Review of Project Financing and Expenditures (Exhibit A) report, will be issued. This report summarizes total eligible State-funded project costs.

The district is required to review the Exhibit A and respond to any inquiries made by the OPSC within 30 days.

Assistance

For assistance in preparing expenditure reports, contact the OPSC Fiscal Services Section, Lease-Purchase Audit Unit, Carolyn Harmon at (916) 322-0315 or via charmon@dgs.ca.gov.

Closing Action

When the close-out audit process is complete, the OPSC performs a closing action consisting of one of the following:

IF...	THEN...
...the final eligible State funded costs are within the eligible costs authorized by the SAB	. . .the closing action will be executed administratively.
. . .the final eligible costs are in excess of the eligible costs authorized by the SAB	. . .the closing action will require SAB approval.

Once the final closing action has been completed, no additional expenditures will be recognized.

Release of Funds/ Refund

Any funds due to the district as a result of the closing action will be disbursed.

If the closing action determines that a refund is due to the State, a request will be made to the district for the refund.

Field Audit

Some projects will be subject to a field audit prior to the issuance of an Exhibit A. Once a district receives a closing journal or a closing SAB agenda item, the project is considered closed by the OPSC and the district should refer to its own record retention policy for guidance in how long to retain the project records. ❦

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Appendix 1 - 50/50 Program

Introduction

A school district contributing at least 50 percent of the eligible project cost may file a 50/50 program application.

Determining Eligibility

The district may use either the three/four year projection of ADA or the accelerated five/six year projection of ADA to determine the eligibility for a 50/50 application.

The SAB requires that the district self-certify the eligibility for these applications. All self-certified applications are subject to audit and the Lease-Purchase Law provisions on material inaccuracy.

District Contribution

The district must contribute at least 50 percent of the entire project cost. The district's share may not be generated from funds administered by the SAB or the California School Finance Authority. For example, funds collected from the sale or lease of surplus property which are considered "available rent" under the law, may not be used as the district's source of funds.

Questions regarding funding source concerns should be directed to the Fiscal Services Section.

Calculation of District Contribution

The district's share of a 50/50 project application include:

- 50 percent of all the eligible project costs including site acquisition;
- 100 percent of all project costs that exceed the SAB cost standards;
- 100 percent of all project costs incurred to construct unapproved building areas; including costs for planning, construction, testing and inspection.

Deposit of District Contribution

At the time of each apportionment and prior to a subsequent fund release, the district will be required to deposit into the districts' lease-purchase fund an amount equal to the State's apportionment.

The *Application for Apportionment* (Form SAB 506) provides that the district certify that the district currently has access to sufficient funds to fund its share of the entire project cost. Current available funds include bonds authorized but not sold, but do not include developer fees that are not yet collected. ❦

Appendix 2 - Cost Sharing

Introduction

The cost sharing program allows the SAB to share in the costs of certain projects constructed pursuant to the Mello-Roos Community Facilities Act of 1982. Application for the cost sharing program is made after the construction of a project is completed.

The cost to be shared by the SAB is equal to the costs which would have been allowed if the project was approved prior to construction. The shared cost is reduced for depreciation and further limited to a maximum of 75 percent of all eligible project costs, or the principal amount of any outstanding callable bonds and other debts incurred to finance the project.

Establishing Cost Sharing Eligibility

Project eligibility is determined on the *Justification Document - New Construction and Modernization/Reconstruction* (Form SAB 600) utilizing the standard three and four year enrollment projection.

In order to file a cost sharing application, a project must meet all of the following criteria:

- constructed pursuant to the Mello-Roos Community Facilities Act of 1982;
- the Notice of Completion for the project was filed after February 10, 1986;
- meets all State School Building Lease-Purchase Program area entitlements and cost standards;
- constructed pursuant to a low bid in a bidding process acceptable to the SAB;
- met all DSA access handicap compliance, health and State Fire Marshal requirements in effect at the time of construction;
- approved by the CDE, School Facilities Planning Division including the Office of Special Education, if applicable;
- the Mello-Roos funding source must be callable within six months of issuance.

Cost Sharing Limitations

The maximum amount of the State's contribution is limited to one of the following, whichever is less:

- 75 percent of the eligible project costs; or
- the principal amount of any outstanding callable bonds and other debts incurred to finance the project under the Mello-Roos Community Facilities Act of 1982, as of the date the SAB approves the project. Any claim for "other debts" must be specifically approved by the SAB; or
- the eligible project costs as determined by the SAB, less five (5) percent depreciation each year (excluding all site acquisition costs). The depreciation period begins on the date the "notice of completion" is filed and ends on the date the application is approved by the SAB. The five percent depreciation rate is calculated on a daily basis; or
- the amount realized by the district in exercising at least one of the actions as outlined in the "Financial Plan". ❦

Financial Plan

As a condition of a cost sharing project approval, the district must submit a financial plan. The plan addresses the cost sharing by the State in one or more of the following actions:

- a reduction in the amount of bonds authorized by the Mello-Roos Community Facilities District;
- a reduction in the amount of any special tax which is levied within the Mello-Roos Community Facilities District;
- a reduction in the amount of outstanding bonds or provision for the retirement of outstanding bonds;
- a reduction in the period of time during which a special tax is levied within the Mello-Roos Community Facilities District.

Lease-Purchase Agreement

Upon SAB approval of a cost sharing project, the district must enter into an Lease-Purchase Agreement.

Appendix 3 - Restricted Maintenance Account

Introduction

Districts are required to establish a restricted account within the district's general fund for the exclusive purpose of providing funding for annual ongoing maintenance and routine repair to ensure that State School Building Lease-Purchase projects are at all times kept in good repair and working order. Districts are required to establish a restricted maintenance account prior to the initial approval of a State School Building Lease-Purchase project. All costs for necessary repairs, renewals, and replacements must be borne by the school district.

Projects Subject to the Requirement

With the exception of the County Superintendent of Schools, a restricted maintenance account must be established for those district's whose average daily attendance exceeds:

ADA	DISTRICT TYPES
900	Elementary School
1200	Unified School
300	High School

Four types of on-going maintenance meet the criteria:

TYPE	DESCRIPTION
Breakdown	The emergency maintenance to equipment necessary to continue normal school functions.
Operating	Work necessary for a component to function and operate properly (i.e., lubrication, belt replacement, tune-up, replacement of lighting ballasts).
Preventative	Regularly scheduled maintenance based on life-cycle projection of various components.
Overhaul	Periodic major repair or replacement of operating parts and components of equipment.

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Types of Maintenance Required Action

The district must earmark each fiscal year, for the life of the lease agreement, an amount equal to two percent of the district's current year general fund and adult education budget, less amounts budgeted for capital outlay and debt service.

Note: Annual verification of this action must be made no later than September 30, beginning with the fiscal year following the fiscal year that the project is initially approved.

Establishing Restricted Maintenance Account

When this restricted account is established it must be used exclusively for this purpose.

Limitation

This account *is not* part of the deferred maintenance fund and money deposited in this fund *does not* represent the matching share requirement for any deferred maintenance apportionments. ❦

Appendix 4 - Transfer of Apportionment

Introduction

The SAB policy allows for the transfer of an apportionment from one Lease-Purchase project to another.

The School District shall initiate a request for the transfer of an apportionment on the *School District Appeal Request* (Form SAB 189).

Policy

The following is the policy for transferring an apportionment to another application.

1. A transfer is allowed for a Construction (Phase C) apportionment only.
2. The entire Construction (Phase C) apportionment may be transferred to any other project (i.e., either new construction or modernization) as long as the receiving project has or is obtaining a Construction (Phase C) approval at the same board and has the same or a higher funding priority. If the funds transferred are:
    - insufficient to fund the entire Construction (Phase C) of the receiving project, the district must fund the difference with other funds. The unfunded state share will be included on a "unfunded approval" list for future reimbursement.
    - more than is needed for the project, the excess apportionment will be returned to the State program at bid time.
3. The time limit on the apportionment for the original project will continue on the receiving project; any requests for an extension of the time limit for the receiving project must be made in accordance with the SAB Time Limit on Apportionments policy. Requests for transfer of an apportionment will be processed by the OPSC within 60 days of receipt. If the transfer of apportionment request is not addressed by the SAB within 60 days of receipt, the transfer of apportionment approval when ever addressed will include an additional time extension for any processing time in excess of 60 days.
4. After the transfer of apportionment is approved, the original project may not be reconsidered for a "new" Construction (Phase C) approval for at least the same number of days that the Construction (Phase C) apportionment was in place, less any time for processing in excess of 60 days.
5. The "new" Construction (Phase C) approval on the original project will not be granted until the district has provided evidence that the DSA approval of the plans and specifications for the project are still in effect.
6. Requests for transfer of an apportionment must be made within the original time limit of the original project.
7. The original project may not be downgraded for purposes of funding priority after the transfer of apportionment is made.
8. The original project must be rescinded if that project does not have full eligibility entitlement after the transfer of apportionment is approved by the SAB. ❦

Appendix 5 - Seismic Retrofit

Introduction

A district may qualify for funding to address seismic structural improvements (i.e. seismic retrofit) of a facility that qualifies for modernization funding to avert future earthquake damage.

Filing

All requests for seismic retrofit must be made to the OPSC on the *School District Appeal Request* (Form SAB 189) and include all normal application documents required as a modernization project. If seismic retrofitting of a facility is approved by the SAB, the project will include the seismic work and the modernization work as one project.

Processing

All requests for seismic retrofit shall receive processing priority by the OPSC.

Eligibility Criteria

An eligible facility must meet all of the following criteria:

1. All classrooms in the district or high school attendance area that do not require seismic structural improvements must be fully loaded before any unhoused ADA may be assigned to a project requesting seismic funds.
2. The teaching stations in the structure to be seismically retrofit must be fully loaded with unhoused ADA.
3. The district has submitted a report from a licensed structural engineer that identifies the minimum work necessary to address the seismic structural improvements necessary to avert future earthquake damage.
4. The report must include a statement that the facility is structurally adequate as it meets the structural requirements in existence when the facility was originally constructed. If the facility is structurally inadequate, the district may apply for abandonment and/or rehabilitation of the facility (see *Appendix 9, Abandonment and/or Rehabilitation. Page 9-1).*
5. The district must submit a letter from the DSA that concurs with the findings in the structural report addressed above.
6. The district has submitted, and the OPSC has agreed with, a detailed cost estimate prepared by a licensed structural engineer of the minimum repairs necessary to address the seismic structural improvements outlined in the structural report. The cost estimate shall only include the construction costs (i.e., do not include planning or non-building items such as utilities or general site development) of the structural work identified in the report.

SAB Consideration

If the district meets the eligibility criteria, the SAB will accept one of the following options presented by the district:

1. Seismic retrofitting of the facility if the cost noted in item 6 above is 50 percent or less of the current replacement cost of the facility.
2. Replacement of the facility if the cost noted in item 6 above is greater than 50 percent and the district will accept a replacement allowance limited to 75 percent of the replacement cost and the district is requesting to fund at least 50 percent of the eligible project cost.

The SAB will not accept an application for demolition of the facility since the facility is deemed to be structurally adequate.

Eligible Project Costs

In addition to the normal modernization costs and the seismic work identified in the structural report, the project may include the reasonable cost necessary to prepare the structural report and cost estimates used to justify the seismic project.

Funding

Districts may request funding either as a funding priority one or two for seismic retrofitting or replacement of the facility. All projects approved will be deemed "seismic" and funded with specific funds set aside for this purpose by the SAB. The application for seismic funds must include an accounting of all capital facilities funds as well as federal, state and local funds that may be available to assist to finance the project. The SAB shall review the available funding sources and may require that all or a portion of these funds be used to finance the project. ❦

Appendix 6 - Reimbursement

Introduction

The following policies apply to expenditures or commitments, regardless of funding source, made after April 24, 1994. Expenditures or commitments made prior to that date shall be subject to the reimbursement policy in effect at the time.

Exception

Projects constructed with Mello-Roos Community Facilities District funds that are eligible under the Cost Sharing Policy (Education Code Section 17018.5) are exempt from this policy.

Eligibility

Reimbursement will only be made for eligible costs as determined by the SAB. If there is a question about the eligibility of a particular item, contact the OPSC in writing prior to incurring the obligation.

All expenditures to be reimbursed must meet all SAB eligibility standards and policies.

Planning

Expenditures for planning made up to four years prior to the initial approval of the project are eligible for reimbursement.

Site Acquisition

The value of the site that would be considered for reimbursement will be the lesser of the appraised value at the time of acquisition or the actual cost of the site. Expenditures for site acquisition are eligible for reimbursement under the following conditions:

STATE FUNDING LEVEL	POLICY
Greater than 50%	Only if the project receives a Phase S unfunded approval prior to the expenditure being made.
50% or less	Expenditures made up to four years prior to an initial project approval. If the land cost exceeds 50% of the project cost (including land cost), the amount in excess of 50% will not be eligible for reimbursement unless the district receives a Phase S approval prior to the acquisition of the site. In the case of donated land, the amount included will be the appraised value on the date of acquisition, and the acquisition must be within four years of the initial project approval.

Construction

Expenditures or commitments for construction made:

- Prior to an initial project approval will not be reimbursed.
- After the project receives a Construction (Phase C) unfunded approval are eligible for reimbursement.

Site Development

Site preparation costs incurred up to eight months prior to the Construction (Phase C) approval are eligible for reimbursement. Expenditures incurred within eight months of the time the project could have received a Construction (Phase C) unfunded approval are also eligible.

State or Federal Funded Projects

School facilities built or modernized with any state funding other than SAB program or federal funding sources are not eligible for reimbursement.

Tax-exempt or Taxable Borrowing

Expenditures financed with tax-exempt or taxable borrowing will be reimbursed up to the approved costs of the outstanding principal or SAB approved cost, whichever is less (i.e., lesser of the financed amount principal or approved cost).

The State funds must be used in one of the following manners:

1. Retire the entire debt.
2. Partially retire the debt.
3. Used for capital facility purposes consistent with the provisions of the debt instrument. Until the State funds are used, they cannot be lent or pledged as security for any loan.

Mello-Roos Community Facilities District (CFD)

Reimbursement for expenditures made from Mello-Roos Bonds must either be returned to the Mello-Roos District taxpayers or used for other eligible school construction projects consistent with the provisions of the CFD formation documents.

Unapproved Expenditures

If a district takes action which generates a cost liability in excess of the Board's cost standards, the district shall be responsible for that excess and may be responsible for 15% of the amount within the Board standards.

Appendix 7 - Hardship Status

Introduction

An abandonment and/or replacement project does not necessarily qualify the project for hardship status. On the other hand, a hardship application must be an abandonment and/or replacement project.

District Entitlements

District's that receive an approval by the SAB for a hardship status will be entitled to:

- Priority for processing by the OPSC and the DSA.
- Construction (Phase C) approval when the final plans and specifications have been accepted by DSA for review.
- First priority for portable classrooms under the State Relocatable Program and the SAB's reduced rental payment to $2,000 per year per structure.
- First priority for funding as either a priority one or two project. The funding priority order would be 1) hardship priority one, 2) priority one, 3) hardship priority two and 4) priority two. If the SAB sets aside specific funds only for "hardship" projects in one or both of the funding priorities, the projects will be funded based on those priorities and in accordance with the earliest date the project receives hardship status for a specific phase.
- Qualify for replacement area utilizing either the standard eligibility process or the Minimum Essential Facilities building area, *(See Minimum Essential Facilities Guidelines, on next page).*

Qualification

The district has unhoused ADA as a result of any of the following:

1. The loss of facilities as a result of a natural disaster such as fire, flood or earthquake.
2. The continued use of the facility poses a life or safety hazard as evidenced by all of the following:
   - The facility qualifies for replacement and/or rehabilitation under the abandonment policy.
   - An appropriate state level health or safety agency, or a local public health or safety agency supported by an appropriate state level agency, has made a finding that a threat to life and safety exists at the facility in question (DSA concurrence letter of the structural report will meet this requirement).
3. A one-school school district as shown in the latest edition of the California Public School Directory and meets all of the following:
   - The district has entitlement for new construction area.
   - The district has a fully funded modernization project that will be completed in concert with the new construction area on the same site; thus, a savings will be realized by both the state and the district.
   - The final plans for both the modernization and new construction area have been approved by DSA.
4. A case-by-case determination by the SAB that a life and safety hazard exists. In these cases, the OPSC will make a recommendation to the SAB based on the merits of the documentation submitted by the district to support the life and safety issue.

Appropriate State or Local Agency Modernization Projects

An appropriate state or local health or safety agency must be one that has expertise in the area in question. For example, if there is a life and safety issue as a result of traffic on an interstate, the state level agency finding should come from the California Highway Patrol or the Department of Transportation, not the Department of Health.

Financial Requirement

If a district has a modernization project on a site where the district has met the new construction hardship requirements, that modernization project shall also receive hardship status.

Districts requesting 50/50 funding will be placed on the priority one hardship list and districts requesting 100% state funding will be placed on a priority two hardship list.

Any district that qualifies for hardship status may receive priority one status and be funded at 100% if the district meets all of the following criteria:

- The district has submitted an accounting of all capital facility funding, including any federal, state or local funding that could be used to fund the project. The SAB will review the funding source and may require that some or all of any available funding be used to off-set the state's portion of the project.
- A letter from the CDE that concurs with the financial accounting statement presented by the district.
- The district may be required to demonstrate that there are no other facilities available to house displaced pupils.

Minimum Essential Facilities Guidelines

Once the district has qualified for Hardship status, the district may replace the facility by either utilizing the building area generated by the unhoused ADA or utilizing the SAB Minimum Essential Facilities building area. The district may utilize the total replacement square footage authorized for any purpose as long as the minimum needs of each category is meet, as determined by the CDE The following is the SAB Minimum Essential Facilities allowable building area:

Space	Elementary	Intermediate	High
Gymnasium	N/A	7 sq. ft. per ADA min. 5,828 sq. ft.	8 sq. ft. per ADA min. 7,280 sq. ft.
Shower Locker	N/A	4 sq. ft. per ADA min. 400 sq. ft.	5 sq. ft. per ADA min. 500 sq. ft.
P.E. Office	N/A	50 sq. ft. per coach	50 sq. ft. per coach
P.E Storage	N/A	0.5 sq. ft. per ADA min. 500 sq. ft.	0.5 sq. ft. per ADA min. 500 sq. ft.
Bleachers	N/A	0.9 sq. ft. per ADA max.. 1,820 sq. ft.	1.3 sq. ft. per ADA max. 2,600 sq. ft.
P.E. Mech./Elect.	N/A	0.3 sq. ft. per ADA min. 100 sq. ft.	0.3 sq. ft. per ADA min. 100 sq. ft.

Space	Elementary	Intermediate	High
Multi-Purpose Type I	N/A min. 900 sq. ft.	3 sq. ft. per ADA min. 900 sq. ft.	3 sq. ft. per ADA min. 900 sq. ft.
Multi-Purpose Mech./Elect.	0.3 sq. ft. per ADA min. 100 sq. ft.	0.3 sq. ft. per ADA min. 100 sq. ft.	0.3 sq. ft. per ADA min. 100 sq. ft.
Food Service or Kitchen	2 sq. ft. per ADA min. 400 sq. ft. max. 1,480 sq. ft.	2 sq. ft. per ADA min. 400 sq. ft. max. 1,880 sq. ft.	3 sq. ft. per ADA min. 600 sq. ft. max. 3,975 sq. ft.

Continued on next page

Minimum Essential Facilities Guidelines (Cont.)

Space	Elementary	Intermediate	High
Exercise Room	N/A	3 sq. ft. per ADA min. 3,600 sq. ft.	3 sq. ft. per ADA min. 3,600 sq. ft.
P.E. Storage	N/A	0.5 sq. ft. per ADA min. 500 sq. ft.	0.5 sq. ft. per ADA min. 500 sq. ft.
P.E. Mech./Elect.	N/A	0.3 sq. ft. per ADA min. 100 sq. ft.	0.3 sq. ft. per ADA min. 100 sq. ft.
Space	Elementary	Intermediate	High
Administration	3 sq. ft. per ADA min. 600 sq. ft.	3 sq. ft. per ADA min. 600 sq. ft.	4 sq. ft. per ADA min. 800 sq. ft.
HVAC/ Mech./Elect.	3 sq. ft. per ADA min. 600 sq. ft.	4 sq. ft. per ADA min. 800 sq. ft.	5 sq. ft. per ADA min. 1,000 sq. ft.
Toilet	3 sq. ft. per ADA min. 300 sq. ft.	4 sq. ft. per ADA min. 300 sq. ft.	5 sq. ft. per ADA min. 300 sq. ft.
Library	2 sq. ft. per ADA	3 sq. ft. per ADA	4 sq. ft. per ADA
Exterior Walk and Corridors	6 sq. ft. per ADA	6 sq. ft. per ADA	8 sq. ft. per ADA
Teaching Stations	31 sq. ft. per ADA	37 sq. ft. per ADA	39 sq. ft. per ADA

Note: The allowance for Gymnasium, Multi-Purpose Type I and Exercise Room area mutually exclusive. The district will only receive the area appropriate to the actual education program being conducted at the school as determined by the CDE.

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Appendix 8 - Construction Management

This section is under construction. Please use the following links to refer to existing construction management policies.

- *Revised implementation of Education Code Section 17719.3 Construction Management - November 30, 1994*
- *Amendment to the Construction Management policy - September 25, 1996*

Appendix 9 - Abandonment and/or Rehabilitation

Introduction

At various SAB meetings, policies were developed to address the replacement or rehabilitation of structurally inadequate and adequate facilities. As a result of changes to law and amendments to these policies by the SAB, these policies became very complicated and difficult to administer. The OPSC and the SAB Implementation Committee have revised these polices and they were adopted by the SAB on June 25, 1997.

Filing

All requests for abandonment or rehabilitation must be made to the OPSC on the *School District Appeal Request* (Form SAB 189) and include all normal application documents required for either a new construction or modernization application. Any documentation necessary to support the request should also be included. All requests for either abandonment or rehabilitation of facilities shall receive processing priority by the OPSC.

If the abandonment or rehabilitation eligibility is based on new construction entitlement, the application will be treated as a new construction application. If the eligibility is based on modernization entitlement, the application will be treated as a modernization application.

Funding

Districts may request funding either as priority one or two for the replacement or rehabilitation of facilities. If the district is approved for abandonment of facilities lost as a result of a fire or flood, the State's share of the project will be reduced by all available insurance.

Interim Housing Facilities

The district may qualify for an interim housing allowance for any facility approved for replacement or rehabilitation in accordance with the SAB Interim Housing policy for modernization projects.

Disposition of Abandoned Facilities

It is the intent of the SAB that any facilities that are approved for abandonment cannot be used as a "school building" as defined in Education Code Section 17283. Portable classrooms abandoned under the "20 year rule" must be removed from service within 180 days after the filing the notice of completion for the project that replaced the classrooms. Any facilities approved for abandonment and replacement may be disposed in any of the following methods:

- Destroyed – The demolition cost may be included in the cost of the project.
- Sold – Sales proceeds will be used to reduce the eligible costs of the project.
- Reuse (portable facilities) – Restrict the use to storage on non-school site.
- Other – As specified by the SAB.

Determination of Reduced Allowance

When determining the reduced percentage allowance (i.e., 75 percent, etc.), the SAB will include in the eligible cost of the project the approved percentage (i.e., 75 percent, etc.) of what would have normally been allowed as eligible cost if a 100 percent allowance was provided. This percentage will apply to all cost categories including site acquisition.

Reduced Allowance Example

The district has abandoned 10,000 square feet and requests replacement under the 75 percent rule. If the district's replacement area is 9,600 square feet (or anything under 10,001 square feet) and the total eligible cost for this area is $1.2 million, the eligible cost of the Lease-Purchase project to be split 50/50 is 75 percent of $1.2 million or $900,000. If the district's replacement area is 11,500 square feet (even though the district has entitlement for only 10,000 square feet) and the total eligible cost is $1.6 million, the eligible cost of the Lease-Purchase project to be split 50/50 is (10,000/11,500) x 75 percent x $1.6 million or $1,043,478.

Structurally Inadequate Facilities

Criteria

The SAB will consider the abandonment and replacement, or rehabilitation of structurally inadequate facilities provided all of the following criteria have been met:

1. The district has submitted a report from a licensed structural engineer that identifies the structural deficiencies of the building and the minimum work necessary to bring the building into structural compliance based on the structural requirements in effect when the building was originally constructed. The report must include a statement that the building is unsafe for occupancy when compared with the structural requirements in existence when the building was originally constructed unless the repairs noted in the structural report are implemented.
2. The district has submitted a letter from the DSA that concurs with the findings in the structural report addressed above.
3. The district has submitted and the OPSC has agreed with a detailed cost estimate prepared by the licensed structural engineer of the repairs necessary for continued use as a school building. The cost estimate shall only include the construction cost (note: do not include planning or non-building items such as utilities or general site development) of the structural repairs necessary to bring the building back to the structural requirements in existence when the building was originally constructed.

New Construction Replacement Qualification

If the cost of repairs necessary for continued use as a school building exceeds 50% of the current replacement cost of the building, the SAB will consider the replacement of the building. Use current SAB building cost allowances to determine replacement cost. All replacement area is limited to new building area entitlement.

The current replacement cost for portable structures is based upon $35 per square foot and may be adjusted for the appropriate indices.

New Construction Rehabilitation Qualification

If the structure does not qualify for replacement, the SAB will consider the rehabilitation of the building based on the minimum work necessary to bring the building into structural compliance based on the structural requirements in effect when the building was originally constructed. The rehabilitation cost of the project may be increased for the cost to modernize the building if it qualifies for modernization.

Multiple Building Rehabilitation

If the structurally inadequate area contains more than one building, the area that may be included in the project for rehabilitation shall be limited, as much as possible by:

- The area of the buildings being proposed for rehabilitation;
- The building configuration on the site;
- The eligible area entitlement based on the capacity of the school where the inadequate facilities are located;
- Any necessary requirement by the CDE.

Modernization Replacement Qualification

When the district does not have new construction building area entitlement and the cost of repairs necessary for continued use as a school building exceeds 50 percent of the current replacement cost of the building, it may still qualify for replacement. Use current SAB building cost allowances to determine replacement cost. All of the following conditions must be met:

- The building being abandoned qualifies for modernization.
- The district agrees that the eligible replacement area is limited to the eligible modernization area entitlement.
- The ADA capacity of the constructed facility must be at least equal to the ADA capacity of the original facility.
- The district agrees to fund at least 50 percent of the total eligible project cost.
- The district accepts an eligible replacement cost allowance limited to 75 percent of the permanent replacement cost (*see Determination of Reduced Allowance, page 9-1*).

Modernization Rehabilitation Qualification

When the district does not have new construction building area entitlement and the cost of repairs necessary for continued use as a school building does not exceed 50 percent of the current replacement cost of the building, it may still qualify for rehabilitation. Use current SAB building cost allowances to determine replacement cost. All of the conditions noted in the Modernization Replacement Qualifications must be met.

Rehabilitation Alternative

In lieu of rehabilitation of the facility under either the new construction or modernization process, a district may request, on a case-by-case basis, a reduced cost allowance, based on the rehabilitation costs and replace the area with new construction.

Structural Report Cost

If the structural report required to justify replacement or rehabilitation results in an approved project, the reasonable cost to prepare the structural report and cost estimate may be included as an eligible project cost as "other planning cost".

Demolition

If the structural reports support abandonment and DSA concurs with the report, but the district has no entitlement for either replacement or rehabilitation, the district is not eligible for replacement or rehabilitation. However, the district may file a separate application for only the demolition costs of the inadequate facility. The project may include necessary planning and asbestos removal costs and funded as either a priority one or two project.

If the district has entitlement for either replacement or rehabilitation, the demolition costs may be included as an eligible project cost. ❦

Structurally Adequate Facilities

Introduction

Under certain conditions, the SAB will consider the abandonment of structurally adequate facilities pursuant to the provisions of Education Code Section 17042(c). This section permits the SAB to exclude certain area from the "area of adequate school construction" if it is determined that the exclusion is for the benefit of the pupils affected. Each request for abandonment will be addressed on a case-by-case basis.

Criteria

General criteria that may support the district's request for abandonment are as follows:

1. The safety of the pupils is at risk as a result of the location of the building or school relative to a major freeway, airport, electrical facility, dam, pipeline or industrial facility.
2. The health of the pupils is at risk as a result of air quality and location of the school to industrial facilities.
3. The facility was lost or destroyed as a result of a natural disaster such as fire, flood or earthquake. District may only apply for the lost facility that is not recoverable by insurance. It is generally understood that all districts are required to have adequate insurance and, therefore, replacement of facilities lost would be unusual.

A cost benefit analysis of the total cost to remain in the facility and mitigate the problems outlined in items 1, 2 and 3 above versus the cost to acquire new replacement facilities. The analysis may include the proceeds from the sale of the abandoned school or building, or any other costs savings/expenses that may be germane to the specific request. The cost comparisons are only for purposes of this analysis and in no way obligate the SAB to fund any of the mitigation cost claimed by the district.

The documentation to support the above criteria may be in any form and will be weighed independently based on the specific circumstances of the request. Examples of acceptable documentation could include reports from other governmental agencies, private companies or qualified individuals.

SAB Consideration

The SAB will consider abandonment if the mitigation costs exceed 50 percent of new replacement area. Replacement area will be limited to new area entitlement after the facility in question has been deemed non-chargeable.

As an alternative, the district may meet the new area entitlement if the building/school qualifies for modernization and the district meets all of the following conditions:

- The district is requesting 50/50 funding for the project.
- The district agrees that the eligible replacement area is limited to the eligible modernization area entitlement.
- The ADA capacity of the constructed facility must be at least equal to the ADA capacity of the original facility.
- The district accepts an eligible replacement cost allowance limited to 75 percent of the permanent replacement cost (*see Determination of Reduced Allowance, page 9-1*).

The SAB will consider funding all or a portion of the mitigation measures on a case-by-case basis if the mitigation costs does not exceed 50 percent of new replacement area. ❦

Portable Facilities

Non-Classroom Facilities

Portable non-classrooms facilities must meet either the structurally inadequate or structurally adequate guidelines for abandonment and/or replacement. For purposes of computing the current replacement value of the portable facility, the building cost allowance is $35 per square foot, adjusted for the appropriate indices. The area entitlement generated from the abandonment of these facilities shall be replaced at the $35 per square foot building cost allowance and may not be used to construct permanent building area.

20 Year Rule for Classroom Facilities

If the district has owned and/or leased a portable classroom for 20 years or more and the structure has not been previously modernized or used to generate modernization eligibility, the district may request to have the portable classroom abandoned. The portable classroom must be replaced as part of a lease-purchase application.

Alternative for Classroom Facilities

If the district is unable to abandon the portable classroom facility under the "20 year rule", the facility must meet either the structurally inadequate or structurally adequate guidelines for abandonment and/or replacement. For purposes of computing the current replacement value of the portable facility, the base building cost allowance is $35 per square foot, adjusted for the appropriate indices.

Replacement as Relocatable Classroom

The abandoned portable classroom must be replaced with a portable classroom. The building replacement allowance for the replacement shall be limited to $35 per square foot, adjusted for the appropriate indices. Area generated by the abandoned portable must first be used to replace the portable classroom. The remaining area may be included in the lease-purchase application at the full allowance for permanent facilities.

Replacement as Permanent Classroom

The district may request to replace an abandoned portable classroom with a permanent classroom. The district must agree to finance the added building cost allowance of the replacement classroom that exceeds the $35 per square foot, adjusted for the appropriate indices, with either general obligation bonds or Mello-Roos Community Facilities Act bonds. Area generated by the abandoned portable must first be used to replace the portable classroom. The remaining area may be included in the lease-purchase application at the full allowance for permanent facilities.

Replacing Portable Classroom in Multiple Applications

Each project approved for a district, where the district's eligibility included the abandonment of portable classrooms, must include a portion of the portable replacement area. This area must be in addition to the 30% relocatable requirement. To determine the minimum number of replacement portable classrooms to be included in the project, determine the ratio of all portables excluded to the number of new classrooms needed in the district. Apply this same ratio to the number of classrooms in the project. The result is the number of replacement portables to be included in each project.

The district may elect to replace more portable classrooms within the first project to be constructed and, thereby, reduce the number of replacement portable classrooms in a lower priority project. ❦

Appendix 10- Environmental Impact Documents (EID)

Introduction

Prior to the release of the planning and site acquisition funds, a set of environmental impact documents (EID) must be prepared. The district has sole responsibility for meeting all California Environmental Quality Act (CEQA) requirements as administered by the State of California, Office of Planning and Research (OPR)/State Clearinghouse. The OPSC verifies that the CEQA requirements have been addressed.

Every application requires either a:

- categorical exemption,
- negative declaration, or
- environmental impact report (EIR).

California Environmental Quality Act (CEQA) Publications

Title 14 of the California Administrative Code (CAC), incorporates the *CEQA: Statutes and Guidelines (Stock No. 7540-931-1022-0)* of the Office of Planning and Research/State Clearinghouse. This publication may be obtained at a nominal cost from:

Department of General Services
Publications Section
P.O. Box 1015
North Highlands, CA 95660
(916)574-2200

Additional information maybe found on the State Clearinghouse Web page at *http://ceres.ca.gov/planning/sch/index.html*

Categorical Exemption

Introduction

The *CEQA: Statutes and Guidelines* of the OPR provide certain categorical exemptions from the preparation of an EIR:

- replacement of existing facilities;
- minor additions to existing facilities;
- addition to existing facilities.

Replacement (Class 2)

The Class 2 exemption applies to the replacement of an existing structure where the new structure will be located on the same site as the structure replaced. The replacement structure will have the same purpose and capacity, including but not limited to:

- replacement of existing schools to provide earthquake resistant structures which do not increase the capacity by more than 50 percent; and/or
- replacement of existing utility systems and/or facilities involving negligible or no expansion of capacity.

Minor Additions to Schools (Class 14)

The Class 14 exemption applies to additions to existing schools when the addition does not increase the original student capacity by more than 25 percent or ten classrooms, whichever is less. The addition of relocatable classrooms is included in this exemption.

Existing Facilities (Class 1)

The Class 1 exemption applies to minor alterations to existing public structures involving negligible expansion of use beyond that which previously existed. The addition may not result in an increase of more than:

- 50 percent of the floor area of the structure before the addition, or 2,500 square feet, whichever is less; or
- 10,000 square feet if the following conditions exists:
    1) the project is located in an area where all public services and facilities are available to allow for maximum development permissible in the general plan; and
    2) the area in which the project is located is not environmentally sensitive.

Notice of Exemption

When claiming a categorical exemption, the Notice of Exemption must cite the appropriate subsection of the *CEQA: Statutes and Guidelines*. The "notice" must include evidence of filing with the district's county clerk. ❦

Negative Declaration

Introduction

A negative declaration is a document describing the project and contains a finding that the project has no significant environmental effect. The steps for preparing a negative declaration are similar to the initial procedures used for preparing an environmental impact report (EIR).

District CEQA Officer's Responsibilities

The district's CEQA officer is responsible for preparing the following documents:

ITEM	DOCUMENT
A	Initial environmental study to include responses.
B	District certification of persons/organizations consulted for comment prior to the district's adoption of the negative declaration.
C	Evidence that the site has been investigated for previous or current use as a hazardous or solid waste disposal site, hazardous substance release site or site which contains pipelines which carry hazardous substances, materials, or hazardous wastes.
D	• District certification of availability of the negative declaration for public comment; and • District's statement of responses to public comments.
E	Certification of negative declaration submittal to the OPR/State Clearinghouse (including date). This can be evidenced by either the district's letter of certification or OPR/State Clearinghouse environmental document transmittal form complete with clearinghouse number.
F	Closing letter from the OPR/State Clearinghouse acknowledging compliance with OPR review requirements.
G	Notice of Determination stamped by the county clerk.

Environmental Impact Report

Introduction

The purpose of an environmental impact report is to identify the significant effects of a project on the environment, and alternatives to the project. In addition, the manner in which those significant effects can be mitigated or avoided is addressed. This report provides public agencies and the general public with detailed information about the effect a proposed project is likely to have on the environment.

District CEQA Officer's Responsibilities

The district's CEQA officer is responsible for preparing the following documents:

ITEM	DOCUMENT
A	Initial Environmental Study to include responses.
B	District certification of persons/organizations consulted prior to the district filing the notice of completion.
C	Evidence that the site has been investigated for previous or current use as a hazardous or solid waste disposal site, hazardous substance release site or site which contains pipelines which carry hazardous substances, materials, or hazardous wastes.
D	Evidence that the State Clearinghouse has received a notice of completion of the draft EIR.
E	• District certification of availability of EIR for public comment; and • Record of public comments; and • District's statement of responses to public comment. • If no public comments, district statement that no comments were received.
F	Closing letter from the State Clearinghouse.
G	When necessary, district's statement of overriding consideration warranting the project's approval.
H	District certification of completion of final EIR
I	Notice of Determination certified by the county clerk and State Clearinghouse.

Multiple Projects Addressed in a Single EIR

Provided a series of projects are essentially similar in their environmental impact, a single environmental impact report may be sufficient. One report may suffice in the following instances:

- the development of a school is ultimately planned; or
- the phased construction of a school is planned; or
- several schools are planned at various locations.

Projects within the scope of the original environmental impact report which are filed within one year of the original EIR, as accepted by the county clerk, may be exempt from the preparation of additional environmental impact documents.

Time Lapse of Approval of Original EIR

When more than one year has elapsed since the approval of the EIR as accepted by the county clerk, significant changes may have occurred either in the CEQA guidelines or the environmental setting. Therefore, the district's CEQA officer must review the proposed project for the following conditions and take the appropriate action:

- Environmental conditions have not changed since the preparation of the original EIR.
- Environmental conditions have substantially changed since the preparation of the original EIR or a significant environmental impact has arisen which was not considered in the original EIR. ❦

Appendix 11
Geographic Adjustment Factors

Apply the following geographic adjustment factors to the base schedule of unit costs.

COUNTY	FACTOR	DESCRIPTION
Alameda	1.05	The entire county.
Alpine	1.10	The entire county.
Amador, Western Part	1.05	That portion of Amador County lying west of a line drawn five (5) miles east of, and paralleling State Highway 49.
Amador, Eastern Part	1.10	All of Amador County except the Western Part described above.
Butte, Western Part	1.05	That portion of Butte County lying west of a line drawn ten (10) miles east of, and paralleling State Highway 99.
Butte, Eastern Part	1.10	All of Butte County except the Western Part described above.
Calaveras, Western Part	1.05	That Portion of Calaveras County lying west of State Highway 49.
Calaveras, Eastern Part	1.10	All of Calaveras County except the Western Part described above
Colusa	1.05	The entire county.
Contra Costa	1.05	The entire county.
Del Norte	1.10	The entire county.
El Dorado, Western Part	1.05	Those portions of El Dorado County lying within any of the following areas: • west of a line drawn six (6) miles east of and paralleling State Highway 49. • within five (5) miles of either side of U.S. Highway 50 from the western county line to a point on the eastern limit of the community of Pollock Pines. • west of a line drawn three (3) miles easterly from and paralleling a certain county road described as the Pleasant Valley Road which connects the community of Aukum with Diamond Springs and with the city of Plymouth.
El Dorado, Eastern Part	1.10	All of El Dorado County except the Western Part described above.

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COUNTY	FACTOR	DESCRIPTION
Fresno, Western Part and Eastern Foothill Part	1.05	That portion of Fresno County lying: • west of a line drawn ten (10) miles west of, and parallel to State Highway 99; and • between a line drawn ten (10) miles west of, and paralleling the west boundary of the Sierra National Forest and a line drawn ten (10) miles east of, and paralleling the west boundary of the Sierra National Forest.
Fresno, Eastern Part	1.10	All of Fresno County lying east of a line drawn ten (10) miles east of, and paralleling the west boundary of the Sierra National Forest.
Fresno, Central Part	1.00	All of Fresno County except the portions described above.
Glenn, Eastern Part	1.05	That portion of Glenn County lying east of a line drawn ten (10) miles west of, and paralleling Interstate Highway 5.
Glenn, Western Part	1.10	All of Glenn County except the Eastern part described above.
Humboldt, Eureka Area	1.05	That portion of Humbolt County situated within ten (10) miles of the Redwood Highway (U.S. 101) from the northern boundary of the community of Trinidad to the southern boundary of the community of Rio Dell.
Humboldt, Redwood Highway	1.10	That portion of Humboldt County situated within five (5) miles of the Redwood Highway (U.S. 101) except for that portion of the Redwood Highway which is within the Eureka area described above.
Humboldt, State Highway 299 and Vicinity	1.10	That portion of Humboldt County situated within five (5) miles of State Highway 299 and State Route 96, except for those portions which are within the Eureka area described above.
Humboldt, Southeastern Part	1.20	That portion of Humboldt county adjacent to, or east of, the road between Harris to Blocksburg to a point ten (10) miles north of Blocksburg.
Humboldt, Residual Area	1.15	All areas of Humboldt County not classified in other cost groups.
Imperial	1.10	The entire county.
Inyo, Southeastern Part	1.25	That portion of Inyo County situated east of the western boundary of the Death Valley National Monument from the northern boundary of said national monument to the southern boundary of the county.
Inyo, except Southeastern Part	1.10	All of Inyo County except the southeastern part described above.
Kern, Eastern Part	1.10	That portion of Kern County lying east of a north-south line drawn through the eastern boundary of the town of Tehachapi.

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COUNTY	FACTOR	DESCRIPTION
Kern, Central Valley Part	1.00	That portion of Kern County lying west of a north-south line drawn through the east boundary of Glennville, north of an east-west line drawn five (5) miles north of Wheeler Ridge, and east of a line drawn five (5) miles west of, and parallel to, Interstate Highway 5.
Kern, Western, Southern, and Central Foothill Part	1.05	All of Kern County except the eastern and central valley parts described above.
Kings, Western Part	1.05	That portion of Kings county lying west of a line drawn five (5) miles west of and parallel to Interstate Highway 5.
Kings, Eastern Part	1.00	All of Kings County except the western part described above.
Lake	1.10	The entire county.
Lassen, Southern Part	1.15	That portion of Lassen County lying south of an east-west line drawn through a point ten (10) miles north of Susanville.
Lassen, Northern Part	1.20	All of Lassen County except the southern part described above.
Los Angeles, Northeastern Part	1.05	That portion of Los Angeles County lying north and east of the following described line: • An east-west line drawn three (3) miles south of Scheideck from the western county line east to its intersection with a north-south line drawn four (4) miles west of Acton; thence south along said north-south line to its intersection with an east-west line drawn five (5) miles south of Acton; thence along said east-west line to its intersection with the eastern county line.
Los Angeles, Southwestern Part	1.00	Includes all of Los Angeles County except the northeastern part described above.
Madera, Western Part	1.00	That portion of Madera County lying west of a line drawn ten (10) miles west of, and paralleling the western boundary of the Sierra National Forest.
Madera, Central Part	1.10	That portion of Madera County lying between a line drawn ten (10) miles west of, and paralleling the western boundary of the Sierra National Forest and a line drawn ten (10) miles east of and paralleling the western boundary of the Sierra National Forest.
Madera, Eastern Part	1.10	All of Madera County except the western part and the central part described above.
Marin	1.05	The entire county.

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COUNTY	FACTOR	DESCRIPTION
Mariposa, Western Part	1.05	That portion of Mariposa County lying west of: • a line drawn five (5) miles east of, and paralleling State Highway 49 from the northern county line to Mormon's Bar; and • a line drawn ten (10) miles west of, and paralleling the western boundary of the Sierra National Forest from a point due east of Mormon's Bar to the southern county line.
Mariposa, Eastern Part	1.10	All of Mariposa County except the western part described above.
Mendocino, Southern Redwood Highway Area	1.05	That portion of Medocino County situated within ten (10) airline miles of the Redwood Highway (U.S 101) from a point ten (10) miles north of the Willits City Hall to the south boundary of the county.
Mendocino, Northern Redwood Highway Area	1.10	That portion of Mendocino County situated within five (5) airline miles of the Redwood Highway (U.S 101) from a point ten (10) miles north of the Willits City Hall to the northern boundary of the county.
Mendocino, Fort Bragg Area	1.15	That portions of Mendocino County lying west of the Southern Redwood Highway Area, and south of the Ten Mile River.
Mendocino, Residual Area	1.15	Those portions of Mendocino County not otherwise classified. (Comprises the northeastern part of the county and the coastal strip in the northwestern part).
Merced	1.00	The entire county.
Modoc	1.20	The entire county.
Mono	1.25	The entire county.
Monterey, Northern Part	1.05	That portion of Monterey County lying north of an east-west line beginning on the coast two (2) miles south of the City of Carmel and extending due east to the eastern boundary of the county.
Monterey, Southern Part	1.10	All of Monterey County except the northern part described above.
Napa	1.05	The entire county.
Nevada	1.10	The entire county.
Orange	1.00	The entire county.

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COUNTY	FACTOR	DESCRIPTION
Placer, Southwestern Part	1.00	That portion of Placer County which is either: • within five (5) miles of either side of State Highway 65 from the southern boundary of the county and the northern limit of the community of Lincoln; or • five (5) miles of either side of Interstate Highway 80 from the southern boundary of the county and the northern limit of the community of Penryn.
Placer, Central Part	1.05	That portion of Placer County which is either: • west of a line drawn five (5) miles east of, and paralleling state Highway 49; or • within five (5) miles of either side of Interstate Highway 80 between the northern limit of the community of Penryn and the northern limit of the community of Colfax; • except the southwestern part described above.
Placer, Northeastern Part	1.10	All of Placer County except the southwestern part and central part described above.
Plumas	1.10	The entire county.
Riverside, Northwestern Part	1.00	City of Riverside and vicinity. Includes that portion of Riverside County lying north of an east-west line drawn ten (10) miles south of the city of Riverside from the western county line to the intersection of a southerly extension of a north-south line drawn through the eastern city limits of Redlands.
Riverside, Eastern Part	1.10	That portion of Riverside County lying east of a north-south line drawn through the intersection of Interstate 10 and Fields Road extending from the southern county line of Riverside County, north to the southern county line of San Bernardino County.
Riverside, except Northwestern and Eastern Parts	1.05	All of Riverside County except the northwestern and eastern parts as described above.
Sacramento	1.00	The entire county.
San Benito, Northern Parts	1.05	That portion of San Benito County lying north of an east-west line drawn across the county from a point two (2) miles south of the community of Paicines.
San Benito, Southern Parts	1.10	All of San Benito County except the northern part described above.

Continued on the next page

COUNTY	FACTOR	DESCRIPTION
San Bernardino, Northeastern Part	1.10	That portion of San Bernardino County lying north and east of an east-west line drawn two (2) miles north of Oro Grande, extending from the western boundary of the county to its intersection with the northerly extension of, and thence along a line drawn through the following points: A point five (5) miles east of Victorville, the eastern edge of the communities of Running Springs and Camp Angelus then due south to the San Bernardino County line.
San Bernardino, Southwestern Part	1.00	San Bernardino metropolitan area. That portion of San Bernardino County lying south of the San Bernardino National Forest and west of a north-south line drawn through the eastern city limits of Redlands.
San Bernardino, except above	1.05	All of San Bernardino County except the northeastern part and the southwestern part described above.
San Diego, Western Part	1.00	That portion of San Diego County lying generally west of a line beginning at a point on the north boundary line of San Diego County where the range line between ranges 1E and 2E intersect said boundary line, southerly along aforesaid range line 24 miles, more or less, to northwest corner of Township 13S, thence easterly six (6) miles to the northeast corner of same Township, thence southerly along the range line between ranges 2F and 3E to the intersection of this line with the United States-Mexico boundary line.
San Diego, Northeastern Part	1.15	That portion of San Diego County lying east of a north-south line drawn ten (10) miles east of the community of Julian, said line extending from the northern boundary of the county to its intersection with an east-west line extending from the eastern boundary of the county to its intersection with the aforesaid north-south line, said east-west line being at its closest point, three (3) miles due north of the community of Mount Laguna.
San Diego, Central Part	1.05	All of San Diego County except the western part and the northeastern part described above.
San Francisco	1.05	The entire county.
San Joaquin	1.00	The entire county.
San Luis Obispo	1.05	The entire county.
San Mateo, Southwestern Part	1.10	That portion of San Mateo County lying more than two (2) miles westerly from the nearest point on Skyline Boulevard and south of an east-west line drawn through a point two (2) miles north of the community of Montara.
San Mateo, Metropolitan Area	1.05	All of San Mateo County except the southwestern part described above.

Continued on the next page

COUNTY	FACTOR	DESCRIPTION
Santa Barbara, Southern Part	1.00	That portion of Santa Barbara County lying south of the southern boundary of the San Rafael Primitive Area from Gaviota Pass to the eastern boundary of Santa Barbara County.
Santa Barbara, Northern Part	1.05	All of Santa Barbara County except the southern part described above.
Santa Clara	1.05	The entire county.
Santa Cruz, Northwestern Part	1.10	That portion of Santa Cruz County lying northerly and westerly from a line drawn from a point one (1) mile north of Swanton on the coast through a point one (1) mile north of Brookdale and situated more than two (2) miles from the nearest point on the eastern boundary of the county.
Santa Cruz, Southeastern Part	1.05	All of Santa Cruz County except the northwestern part described above.
Shasta, Valley Area	1.05	That portion of Shasta County lying south of Shasta Lake and situated within ten (10) miles of Interstate Highway 5.
Shasta, except Valley Area	1.10	All of Shasta County except the Valley Area described above.
Sierra	1.10	The entire county.
Siskiyou, Somes Bar Area	1.25	Those portions of the drainage areas of the Salmon and Klamath Rivers located within the boundaries of the Junction School District.
Siskiyou, Salmon River Area	1.30	All of the drainage area of the Salmon River (including the North and South Forks) except that portion situated within the Somes Bar Area described above.
Siskiyou, Western Part	1.20	That portion of Siskiyou County lying westerly from a line drawn ten (10) miles west of and parallel to Interstate Highway 5, except the Somes Bar and Salmon River areas described above.
Siskiyou, Central Part	1.20	That portion of Siskiyou County situated within ten (10) miles of U.S. Highway 97 from Grass Lake to the Oregon State Line.
Siskiyou, Yreka and Residual Portions	1.10	All of Siskiyou County except the Somes Bar, Salmon River, and western part described above.
Solano	1.05	The entire county.
Sonoma, Northwestern Part	1.10	That portion of Sonoma County enclosed by a line following the northern boundary of the county from the Pacific Ocean to a point fifteen (15) miles inland, thence southerly to a point two (2) miles west of the community of Los Lomas, thence southerly to a point on the coast two (2) miles south of the community of Fort Ross, thence northerly along the coast line to the northern boundary of the county.
Sonoma, except Northwestern Part	1.05	All of Sonoma County except the northwestern part described above.

Continued on the next page

COUNTY	FACTOR	DESCRIPTION
Stanislaus	1.00	The entire county.
Sutter	1.05	The entire county.
Tehama, Valley Area	1.05	Those portions of Tehama County situated within ten (10) miles west of Interstate Highway 5 from the north county line to the southern county line; within ten (10) miles east of Interstate Highway 5 from the north county line southward to a point east of the city of Red Bluff, thence within ten (10) miles east of and paralleling State Highway 99 southward to the county line.
Tehama, except Valley Area	1.10	All of Tehama County except the Valley Area described above.
Trinity, State Highway 299	1.15	That portion of Trinity County situated within five (5) miles of State Highway 299.
Trinity, Residual Area	1.20	All of Trinity County except the State Highway 299 area described above.
Tulare, Central Part	1.05	That portion of Tulare County lying east of a line drawn ten (10) miles west of, and paralleling the boundaries of the Kings Canyon and Sequoia National Parks and Sequoia National Forest and lying west of a north-south line drawn through the western limits of the community of Silver City.
Tulare, Eastern Part	1.10	That portion of Tulare County lying east of a north-south line drawn through the western limits of the community of Silver City.
Tulare, Western Part	1.00	All of Tulare County except the central and eastern parts described above.
Tuolumne, Western Part	1.05	That portion of Tuolumne County lying west of State Highway 49.
Tuolumne, Eastern Part	1.10	All of Tuolumne County except the western part described above.
Ventura, Northern Part	1.05	That portion of Ventura County lying north of an east-west line drawn three (3) miles south of Schiedeck from the western county line to the eastern county line.
Ventura, Southern Part	1.00	All of Ventura County except the northern part described above.
Yolo, Eastern Part	1.00	That portion of Yolo County lying south of Cache Creek and east of a north-south line drawn through the western city limits of Woodland.
Yolo, Western Part	1.05	All of Yolo County except the eastern part described above.

Continued on the next page

COUNTY	FACTOR	DESCRIPTION
Yuba, Southwestern Part	1.05	That portion of Yuba County lying west of a line drawn ten (10) miles east of, and paralleling State Highway 65 and that portion of Yuba County lying south of a line drawn three (3) miles north of, and paralleling State Highway 20.
Yuba, Northeastern Part	1.10	All of Yuba County except the southwestern part described above.

Appendix 12
Disabled Veteran Business Enterprise (DVBE) Contract Participation Goal

Introduction

State Allocation Board (SAB) policy requires a participation goal of not less than three percent disabled veteran business enterprise(s).

Lease-Purchase Projects Subject to DVBE Contract Participation Goal

All State School Building Lease-Purchase projects funded *in whole* or *in part* must comply with the disabled veteran business enterprise (DVBE) contract participation goal. Subject projects also include:

- 50/50 program,
- cost sharing,
- district-funded projects where State reimbursement will be pursued.

Contracts Subject to DVBE Contract Participation Goal

All contracts in a State School Building Lease-Purchase project are subject to DVBE contract participation goals. Subject contracts contained in an application include, but are not limited to:

- surveys
- appraisals
- tests
- architectural services
- consultant services
- construction
- inspection
- furniture and equipment

Contracts Not Subject to DVBE Contract Participation Goal

Contracts that have an estimated cost of $10,000.00 or less need *not* comply with DVBE contract participation goal provision.

Compliance with DVBE Contract Participation Goal

A bidder is deemed responsive if at least one of the following DVBE contract participation goals is met:

- The bidder is a disabled veteran business enterprise and committed to performing not less than three percent of the dollar amount of the contract with his or her own forces.
- The bidder is committed to using disabled veteran enterprise(s) for not less than three percent of the dollar amount of the contract.
- The bidder demonstrates an effort to identify, solicit and potentially utilize DVBE subcontractors or suppliers.

District Responsibilities

Prior to the award of any contract subject to the DVBE contract participation goal the district must include the following in all bids:

- Prime Bidder Certification of Disabled Veteran Business Enterprise Participation
- Prime Bidder Good Faith Effort Work Sheet

DVBE Contract Review

The DVBE documents must be reviewed by the school district for compliance with DVBE contract participation goal.

Districts are required to determine compliance with the DVBE contract participation goal. The district is required to certify the contract amount and DVBE participation on *School District Summary of Bids/Proposals* (Form SAB 515). ❦

REPORT OF THE EXECUTIVE OFFICER
State Allocation Board Meeting, November 30, 1994

REVISED IMPLEMENTATION OF EDUCATION CODE SECTION 17719.3 Construction Management

PURPOSE OF REPORT

To present a revised policy to implement Education Code Section 17719.3, (Construction Management).

DESCRIPTION

At the June 28, 1989 State Allocation Board (SAB) meeting, a policy regarding the use of construction management services was approved and subsequently implemented by the Office of Local Assistance. This policy was ambiguous, difficult to administer and did not address certain provisions of the Lease Purchase Law. As a result, a revised policy has been developed which addresses these concerns.

The State Allocation Board Implementation Committee and the Office of Local Assistance (OLA) staff support this revision to proposed policy.

BOARD POLICY

The original June 28, 1989 SAB policy did not specifically address the issues contained in the attached policy modification.

RECOMMENDATION

1.) Adopt the attached revised policy for all types of contracts for construction management services not yet approved by the Office of Local Assistance.

2.) Provide that the Qualifications Section of this policy shall apply to construction management services provided by internal district staff. A policy on the use of internal district staff for construction management services is also being presented to the Board as a separate item in this agenda.

BOARD ACTION

In considering this Item, the Board approved staff's recommendations, with the understanding that it be an "interim policy". This policy will be accepted as the final Construction Management (External) Policy in March 1995, if no new information or alteration is required at that time.

Implementation of Education Code
Section 17719.3 Construction Management

GENERAL

To revise the SAB policy regarding Education Code Section 17719.3 which authorizes school districts to contract, as specified, for Construction Management Services to assist in the development and/or implementation of a project under the Leroy F. Greene State School Building Lease-Purchase Law of 1976

CONSTRUCTION MANAGEMENT

This policy recognizes the two levels of services available to assist a school district in the development and/ or implementation of the construction of new school facilities or modernization projects constructed under the authority of the Leroy F. Greene State School Building Lease Purchase Law of 1976.

The definition of services contained herein follow the general outline of recommended services as de scribed in the Construction Management Association of America (CMAA) Manual titled Standards of Practice and as copyrighted in 1988. The use of copyright phrases or descriptions as outlined below and as contained in the CMAA Manual have been granted by the National CMAA Headquarters.

The following list of services, with a clear delineation of pre-construction versus construction phase services, is more specific to California Public Schools and California Bidding Laws than the referenced CMAA documents. This clearer separation should make the OLA review and District requirements easier for all involved.

I. **CONSTRUCTION MANAGEMENT (PRE-CONSTRUCTION PHASE) - Services provided in association with Pre-construction activities that relate to organization and development of the project prior to the start of construction by either Multi-Prime (trade contractors) or a General Contractor.**

Construction Management consists of providing responsible reporting, documentation, recommendations and supervision of the following services: pre-construction scheduling, review and recommendations during the design development stages from the schematic phase to the completion of working drawings, conceptual and periodic estimates, budget assessment and cost containment advice, value engineering studies and recommendations, and Construction Manager reviews. **(Refer to detailed list of services provided.)**

II. **CONSTRUCTION MANAGEMENT (CM) (CONSTRUCTION PHASE) - Services provided in association with Construction Management activities that relate to projects constructed by either Multi-Prime, (trade contractors), or a General Contractor and commence between bid preparation and bid opening and continues thirty five (35) calendar days beyond the final filing of the notice or notices of completion. It continues through any warranty periods.**

Construction Management consists of the supervision of all activities that are connected with the construction of the project. Construction Management provides responsible reporting and documentation that starts prior to the contractors' pre-construction conference and includes responsibility for performance of the site construction services provisions (general conditions items including supervision and administration of the project), conducting construction progress meetings, providing progress reports, processing contractors requests for information (RFI's), reviewing and recommending the approval or disapproval of change orders and payments to the contractor, maintaining record keeping to assist the District in negotiations, mediation or arbitration of claims or disputes **(Refer to detailed list of services provided.)**

CONSTRUCTION MANAGEMENT SERVICES PROVIDED

A. PRE-CONSTRUCTION PHASE

1. Construction Management Plan. The Construction Manager will prepare a Management Plan for the Project which will establish the general basis for the sequence of contracting for construction of the Project and the attendant design effort required. In preparation for the Construction Management Plan, the Construction Manager will evaluate the local construction market, the District's resources, the District's schedule and budget goals of the Project, develop various alternative approaches, and make recommendations to the District. Upon approval by the District of the Construction Management Plan, the Construction Manager will prepare the Construction Management Plan in final form. This document will indicate the project rationale and recommend the strategy for purchasing construction, the various bid packages for the Project and a Master Project Schedule.

2. Master Project Schedule. The Construction Manager will develop a Master Project Schedule which will contain key milestones to be accomplished by the Project participants, including a schedule of the Architect's and Consultant's design activities.

3. Project Budget. To assist the project architect during the design phase, the Construction Manager will provide a plan and budget for all items that will be required for the project. These include such things as reproduction of the drawings and specifications for bidding, various other office and administrative costs and the cost for required services at the site. The Construction Manager will review the Program of Requirements, the District's schedule goals, and existing budget data. The Construction Manager will make a report of the budget to the District indicating: (1) shortfalls or surpluses in the budget, and (2) recommendations for cost reductions, value engineering, or revisions to the Program of Requirements.

4. Cost Management Procedures. The Construction Manager will implement and maintain cost management procedures throughout the design phase. When design or programmatic changes are made and approved by the District, these changes will be recorded and the cost effect will be documented.

5. Construction Management Review. The Construction Manager will provide input to the District and Architect(s) relative to value, sequencing of construction (phases), means and methods, duration of construction of various building methods, and constructability.

6. Coordination Review. The Construction Manager will review the Architect(s) 50%, and 90% contract document submissions and provide written comments on the coordination of the various disciplines, including civil, structural, architectural, mechanical, electrical, HVAC, plumbing, and landscape.

7. Coordinate Design Comments. The Construction Manager will provide coordination between the Architect(s) and the District in an effort to obtain the proper flow of information. The Construction Manager will coordinate the design reviews during the Construction Document phase and will compile and expedite the District's comments to the design team.

8. 50% Construction Document (CD) Estimate. The Construction Manager will provide a 50% CD Estimate in Cost Model format at completion of 50% of the CD phase. This 50% CD Estimate will be accompanied by a report to the District and Architect(s) identifying variances with the original budget.

9. 90% Construction Document (CD! Estimate. The Construction Manager will arrange for a 90% CD Estimate in Cost Model format at the conclusion of the 90% CD phase. The 90% CD Estimate will be accompanied by a report to the District and Architect(s) identifying variances.

10. Cost Adjustment Sessions. Should significant variance be detected in the 50% or 90% Construction Document Estimates, the Construction Manager will conduct cost adjustment sessions with the Architect(s) and the District. At the conclusion of these sessions, the Construction Manager, in conjunction with the District, will request commitments from the Architect(s) for design adjustments to the documents in an effort to maintain the project budget.

11. Conditions of Construction. The Construction Manager in a General Contractor project will advise the District as to the form and content of the Invitation to Bid, the form of Proposal, the General Conditions, the Supplementary Conditions and the Special Conditions for the contract for construction. The Construction Manager will submit to the Architect his or her General Recommendations and make suggestions for their inclusion into the Construction Documents.

12. Bidding Procedures. In cooperation with the Architect(s) and the District's Purchasing Office, the Construction Manager will develop and expedite bidding procedures for bid document issuance, bidder tracking and receipt of proposals.

13. Public Relations Activities. The Construction Manager will assist the District and Architect(s) in public relations activities including preparation of the Project information, and attending internal and public meetings as required, including site meetings and quarterly District Bond Committee meetings as required by the district.

14. Generate Bidder Interest. The Construction Manager should maintain contact with potential bidders on a regular basis throughout the bid period. This includes bonded major subcontractors and suppliers as well as General Contractors, if applicable. A telephone campaign will be conducted to stimulate and maintain interest in bidding on the project.

15. Bid Advertisements The Construction Manager will assist the District and the Architect in preparing and placing notices and advertisements to solicit bids on the Project.

16. Prepare and Expedite Bid Document Delivery. In conjunction with the District and Architect(s), the Construction Manager will coordinate and expedite the preparation and delivery of Bid Documents and addenda to the bidders which may include:

    a. Prepare summaries of work Bid Packages;
    b. Arranging to secure documents from Architect(s);
    c. Arranging for printing, binding and wrapping;
    d. Arranging for delivery; and
    e. Follow-up calls to the bidders

17. Pre-Bid Conference(s). In conjunction with the District and Architect, the Construction Manager will assist with pre-bid conference(s). These conferences will be a forum for the District, the Construction Manager, and Architect(s) to present the project requirements to the bidders, including prequalification requirements as appropriate.

18. Coordination and Inquiries The Construction Manager will coordinate communications related to Bidder inquiries and seek resolution for the appropriate party and provide timely forwarding of such information to the bidders.

19. Addenda Review. The Construction Manager will provide a review of each addendum during the Bid Phase for time, cost, or constructability impact, and make appropriate comments or recommendations.

20. Bid Evaluation. The Construction Manager will assist the District in prequalification, the bid opening, evaluation of the bids for completeness, full responsiveness and price, including alternate prices and unit prices, and will make a formal report to the District regard to the potential award of a contract.

21. Construction Contract(s). The Construction Manager will assist the District in the preparation of the construction contract(s).

B. CONSTRUCTION PHASE SERVICES

1. Pre-Construction Conference(s) The Construction Manager will conduct, in conjunction with the District and the Architect(s), pre-construction orientation conference(s) for the benefit of the successful Contractor(s) and will serve to orient the Contractor(s) to the various reporting procedures and site rules prior to the commencement of actual construction.

2. Contract Administration. The Construction Manager will administer the construction contract as provided in the General Conditions of the contract for construction.

3. Submittal Procedures. The Construction Manager will establish and implement procedures for submittals, change orders, payment requests and other procedures; and maintain logs, files, and other necessary documentation.

4. Job Site Meetings. The Construction Manager will coordinate regular job-site progress meetings with the (multiple) prime Contractor(s)/Subcontractor(s), and will work with the architect to ensure that the Architect(s) record, transcribe and distribute minutes to all attendees, the District, and all other appropriate parties.

5. Coordination of Technical Inspection and Testing. The Construction Manager will coordinate with the District's certified inspector all testing required by the Architect(s) or other third parties. All inspection reports will be provided to the Construction Manager on a regular basis.

6. Construction Observation. The Construction Manager will observe the progress of the work and advise the District of any deviations, defects or deficiencies the Construction Manager observes in the work. The Construction Manager's observation duties shall include reasonable diligence to discover work that is not in compliance with the Contract Documents. These observations will not, however, cause the Construction Manager to be responsible for those duties and responsibilities which belong to the Architect(s), the district inspector or the Contractor(s). These include, but are not limited to, the Architect(s)'s obligation to produce clear, accurate drawings and specifications and the Contractor(s) responsibilities for the techniques and sequences of construction and safety precautions incidental thereto, and for performing the construction work in accordance with the Contract Documents.

7. Non-Conforming Work. The Construction Manager will, in conjunction with the Architect(s) and inspector, review contractor's recommendations for corrective action on observed nonconforming work. The Construction Manager will make recommendations to the District, the Architect(s), and inspector in instances where the Construction Manager observes work that, in his opinion, is defective or not in conformance with the Contract Documents.

8. Exercise of Contract Prerogatives. When appropriate, the Construction Manager will advise the District and make recommendations to the District for exercising the District's contract prerogatives, such as giving the Contractor notice to accelerate the progress when the schedule goals are in jeopardy due to Contractor failings, withholding payment for cause and other prerogatives when required in an effort to achieve contract compliance.

9. Master Construction Schedule. The Construction Manager will continue to update and maintain the Master Construction Schedule and distribute the updated Master Schedule to the District, Architect(s) and other appropriate parties.

10. Construction Progress Review. The Construction Manager will review the progress of construction with the Contractor, observe work in place and that materials are properly stored on a monthly basis, and evaluate the percentage complete of each construction activity as indicated in the construction schedule.

11. Monthly Contractor Payment. The Construction Manager will review and make recommendations pertaining to monthly payments to the prime Contractor(s). This activity will be an integral part of the monthly progress report updates. However, if it should later be found that a contractor has failed to comply with the provisions of his contract with the District in any way or detail such failures and subsequent compliance will be the sole responsibility of the Contractor(s).

12. Evaluate Proposal Cost. The Construction Manager will evaluate the Contractor(s) proposal cost and will make a formal recommendation to the District regarding acceptance of the proposal for a Change Order.

13. Negotiation of Change Order Costs and Time Extensions. The Construction Manager will assist the district and the Architect in negotiating Change Order costs and time extensions.

14. Change Order Reports. The Construction Manager shall prepare and distribute Change Order reports on a monthly basis throughout the construction phase. This report will provide information pertaining to proposed and executed change orders and their effect on the contract price as of the date of the report.

15. Contractor Claims. The Construction Manager will be given copies of all notices of claims by Contractors against the District for any alleged cause. The Construction Manager will perform a preliminary evaluation of the contents of the claim, and make recommendations to the District.

16. Project Status Reports. The Construction Manager will prepare and distribute a Project Status Report as requested by the district as well as the Verified Reports required by Title 24.

17. Equipment Instruction Manuals. The Construction Manager will be the recipient of all written material such as operations and maintenance manuals, warranties and guarantees for all equipment installed in the project. All equipment instruction material shall be reviewed and delivered to appropriate District personnel.

18. As-Built Documents. The Construction Manager will perform coordination and expediting functions in connection with the Architect and Contractor's obligation to provide "as-built" documents.

19. Training Sessions. The Construction Manager will coordinate and schedule training sessions for the District's personnel and will assure that the Contractor's obligation in providing this training is fulfilled.

20. Administration of the Project. The Construction Manager will:

    a. Provide full-time on-site administration of the project.

    b. Assist the Inspector in observing the materials and equipment being incorporated into the work to assure that they are handled, stored and installed properly and adequately and are in compliance with the Contract Documents for the project. Report to the District regarding these activities.

    c. Assist the Inspector in observing the Contractor's work to verify that all authorized changes are properly incorporated in the project. Report to the District regarding these activities.

    d. Identify problems encountered in accomplishing the work and recommend appropriate action to the District to resolve these problems with a minimum effect on the timely completion of the project.

    e. Not issue instructions contrary to the agreement between District and Contractor, or between the District and Architect. All changes to the agreement between the District and the Contractor shall be by change order executed by the District. Communication between the Construction Manager and the Contractor with regard to inspection shall not in any way be construed as binding the District, or releasing the Contractor from fulfillment of any of the terms of his contract. The Construction Manager's construction administration activities:

        1. Shall not relieve the Contractor of his obligation to perform the work in strict conformity with the agreement between District and Contractor, the Contract Documents in strict conformity with all other applicable laws, rules and regulations; or Construction Manager liable for, or and insurer of, the performance of the Contractor; or

        2. Shall not make the Construction Manager liable for, or an insurer of, the performance of the Contractor; or

        3. Shall not require the Construction Manager to have control or charge of or advise on or issue directions concerning aspects of the construction means, methods, techniques or sequences, in connection with the work; or

        4. Shall not require the Construction Manager to be responsible for the acts or omissions of the Architect(s), the Contractor(s) or Subcontractor(s), or other persons performing the work; or the failure of any of them to carry out the work in accordance with the Contract Documents.

    f. Assist the Architect and Inspector with monitoring certified payroll for the entire project.

21. The Construction Schedule. The Construction Manager will initialize the detailed Construction Schedule Report utilizing appropriate means. The critical path method should be the preferred method of Analysis. This information will be the basis for all future reports reflecting actual project progress during the construction phase. The contractor(s) shall provide their detailed schedule in accordance with the Contract Documents and this will be used to establish the master schedule.

22. Monthly Construction Schedule Updates. The Construction Manager will prepare and distribute construction schedule updates as appropriate. After an evaluation of the actual progress as observed by the Construction Manager, scheduled activities will be assigned percentage-complete values in conjunction with the Contractor. The report will reflect actual progress as compared to schedule progress noting variances (if any) as negative float. This report will also be the basis for determining implementation of certain District prerogatives concerning progress of the project, when required.

    a. Recovery Schedule. If requested by the District, the Construction Manager shall assist the Contractor(s) in preparing a Recovery Schedule. This Recovery Schedule will reflect the corrective action and extraordinary efforts to be undertaken by the Contractor(s) to recapture lost time. This Recovery Schedule will be distributed to the Contractor(s), the District, Architect(s) and other appropriate parties.

    b. Claims Analysis. If requested by the District, the Construction Manager will analyze the claims for extension of time and will prepare an impact evaluation report which will reflect the actual impact to the schedule. The report will also provide a narrative including a recommendation for action to the district.

    c. Evaluate Claim Cost. If requested by the District, the Construction Manager will prepare estimates based on the alleged cause of claims submitted by the Contractor(s) and will prepare alternate estimates based on varying scenarios of the claim cause. These estimates will be transmitted to the District and will be used in claim rulings and negotiations.

    d. Contractor Claims Negotiations. If requested by the District, the Construction Manager will negotiate claims with the contractor on behalf of the District. The Construction Manager will make a recommendation to the District concerning settlement or other appropriate action.

    e. Construction Schedule. Upon the District's transmission of a Notice of Award to the successful Contractor(s), the Construction Manager will review the Contractor's development of its detailed construction schedule within the framework of the submitted Preliminary Provisional Schedule. The Construction Manager will distribute the Construction Schedule to the Contractor(s), the District, the Architect(s) and other appropriate parties.

    f. Schedule of Values. The Construction Manager will review and reconcile each Contractor's Schedule of Values for each of the activities included in the Construction Schedule.

    g. Final Completion. The Construction Manager, in conjunction with the Architect(s) and the inspector will at the conclusion of all corrective action of all punch list items, make a final comprehensive review of the project, make a report to the District which will indicate whether the Construction Manager and the Architect(s) find the work performed acceptable under the Contract Documents and the relevant project data, and make recommendations as to final payment and the notice of completion to the Contractor(s).

C. POST-CONSTRUCTION SERVICES

1. Occupancy Permit. The Construction Manager will assist the District in obtaining the occupancy permit. This task may encompass accompanying governmental officials (Fire Marshal, DSA, Health Department, etc.) during inspections of the facility, assisting in preparing and submitting proper documentation to the appropriate approving agencies, assisting in final testing and other necessary and reasonable activities.

2. Final Project Report. At the conclusion of the project, the Construction Manager will prepare final project accounting and closeout reports of all above indicated report systems. These reports will summarize, for historical purposes, any items which are not self-explanatory .

QUALIFICATIONS

Candidates providing pre-construction and construction phase Construction Management (CM) services must meet all the following criteria:

1. Must be an individual or firm or partnership or corporation or association or other legal entity licensed or registered under California law or employing licensed or registered Architect, Engineer, or General Contractor licensed under California Law that will have responsibility for projects.
2. Must provide evidence to the school district that the entity, and its personnel carrying out on-site responsibilities, have expertise and experience in project design review and evaluation, construction supervision, bid evaluation, project scheduling, cost benefit analysis, claims review and negotiation, and general management and administration of a construction project.
3. All construction contractors shall be required to post a 100% performance bond for their contract.
4. Each construction contractor shall post a labor and material bond in the amount of 100% their contract.
5. The CM firm shall not be a bidder on any individual construction contract in the project.
6. All construction work shall be bid and awarded in no more than two bid phases, in accordance with normal requirements for General Contractors for site and construction phases. For new construction projects, all construction contracts representing the lowest responsible bidder, shall be submitted to Office of Local Assistance as one package. The Form SAB 515 (Summary of **all** bids) and the required Minority/Women and Disabled Veteran Business Enterprise (M/W/DVBE) documentation, shall be attached to each successful contract listing the three lowest bidders and the bid amounts for each construction contract. A bid phase summary shall be submitted with each bid phase package listing only the low bidders, their contract amounts, the CM fee and General and Special Conditions assigned to each bid phase, summed as a total committed cost.
7. The CM firm shall certify in writing that all of the contracts contained in the submittal represent all the work in the plans and specifications for the total project or that some of the work has been deferred for the future. In the event the contracts and the work deferred for future does not represent 100% of the work and/or exceed the Board's Cost Standards, the additional necessary work must be offset by reduction in the CM fees.

SELECTION OF CM

During the selection process of a CM, the district should solicit proposals from several firms known by reputation, as well qualified and experienced in the management of the design and construction of public schools. Emphasis should be placed on selection of the firm with the best possible qualifications.

The school district is expected to negotiate an agreement with the firm which is most favorable in regards to compensation for the professional service, within the maximum fees allowed. Agreement by the district to pay the maximum allowable fee without meaningful negotiations is not in keeping with the district's obligation to minimize the cost of the project.

When the district selects a CM firm, it must assure that the firm meets the M/W/DVBE provisions in accordance with SAB policy prior to execution of the contract. The owner, to whom the CM is responsive, is the school district. In all transactions between the districts and the selected firm, the district shall act on its own behalf (see contract section). Additionally, contracting for CM services must be executed prior to specific phase of the Project as follows:

PRE-CONSTRUCTION SERVICES - Prior to Phase P, previously Phase I, approval or the completion of the preliminary phase or prior to the initial development of the final plans.

POST CONSTRUCTION SERVICES - Prior Phase C, previously Phase I, approval.

MAXIMUM ALLOWABLE FEES

The school district, as Owner, is expected to negotiate an agreement with the CM firm which is most favorable to the owner with regard to compensation for their professional service, within the maximum fee allowed. The fee must be commensurate with the service provided after execution of the CM contract. Agreement by the district to pay the minimize the cost of the project. The amount of the maximum allowable fees is dependent upon scope, type, and duration of services but cannot exceed the maximum allowable fees without meaningful negotiations is not in keeping with the district's obligation to following schedules:

Maximum Schedule for Construction Management Fees
(Combined Pre-Construction and Construction Phases)

1. Eight percent of any portion of the first five hundred thousand dollars of the computed building cost of the project.
2. Seven and one-half percent of any portion of the next five hundred thousand dollars of the computed building cost of the project.
3. Seven percent of any portion of the next one million dollars of the computed building cost of the project.
4. Six percent of any portion of the next four million dollars of the computed building cost of the project.
5. Five percent of any portion of the next four million dollars of the computed building cost of the project.
6. Four percent of any portion of the computed building cost of the project in excess of ten million dollars.

The computed building cost shall be the final building allowance less savings determined at bid approval. No additional fees will be allowed for change orders.

In no event may the calculated fee determined in the schedule above exceed the following:

- 50 percent for pre-construction services that include the bidding phase.
- 37 and 1/2 percent for pre-construction services that do not include the bidding phase.
- 50 percent for the construction phase, that does not include the bidding phase.
- 62 and 1/2 percent for the construction phase that includes the bidding phase.

The calculation of the estimated fee may be made utilizing estimates of the building cost prior to the development of the final allowance by the OLA. The fee is a reduction in the Building Allowance for the project. The final adjustment in the estimated fee will be made at bid time to reflect the actual maximum allowable Building Cost.

Pre-Construction fees will be released at Phase P approval. Construction phase fees will be released at Bid approval.

COST ALLOWANCES NEW CONSTRUCTION) AND MODERNIZATION

This Policy shall not cause the cost of a new construction Lease/Purchase project to exceed the cost standards established by the SAB.

The final building cost will include CM fees and costs of general conditions.

To obtain project savings the following will be required:

1. Require all bids in all bid package categories (all trades) to be opened at the same date and time thereby prohibiting the staggering of bids. (Growth only)

2. Allow two deductive alternates with no more that 10 building items each for the entire project. (Growth only)

3. Do not allow individual bid package category rebids except under one or more of the following circumstances AND ONLY IF FIRST APPROVED BY THE OLA:

   a. If, through no fault or lack of concerted effort of the District, CM or *Architect, no bid is received in a category.*

   b. If no bidder is responsive to the Minority/Women/Disabled Veterans Business Enterprise (M/W/DVBE) bid requirements.

   c. If the project, after bids are received, is within the SAB allowable budget and it is apparent that inadequate coverage has resulted in an exorbitantly high bid in a category.

   Should the aforementioned circumstance occur, and provided that OLA concurs that it is in the State's best interest to do so, then a category may be rebid USING THE EXACT SAME BID DOCUMENTS AND WORK SCOPE AS PER THE ORIGINAL BID.

   Except as noted above, the District must reject all bids and require ALL packages for the entire project to be rebid.

4. If the project, when bid, exceeds SAB cost standards but does not exceed 110% of the allowable building costs and if the District chooses not to rebid the project but proceeds with the project, then the project would be subject to the same SAB policies in effect at that time under conventional general contract bid projects which exceed State cost standards.

GENERAL AND SPECIAL CONDITIONS

Broad categories of General and Special conditions may be allowed on multi-prime projects as follows:

- Mobilization
- Temporary utilities, structures, fences
- Material handling equipment
- Trucks, safety, small tools, fuel, scaffolding
- Insurance, comprehensive, builders risk
- On site project administration

No general conditions will be allowed for the CM for a General Construction Contract. The district will be required to submit a specific list of all General and Special Conditions which must be approved by the OLA prior to inclusion in the project. The approvable General Conditions are a reduction in the Building Cost for the project. The General and Special Conditions shall not exceed the following fee schedule based on the building cost (see fee schedule): Special or extenuating circumstances which exceed the allowance may be appealed to the SAB as appropriate on a case by case basis.

Building Cost		Non-Graduating Fee
From	$1 TO $200 THOUSAND	15.0%
over	$200 THOUSAND TO $500 THOUSAND	10.0%
over	$500 THOUSAND TO $1 MILLION (M)	8.0%
over	$1M TO $2M	6.5%
over	$2M TO $5M	5.5%
over	$5M TO $50M	5.0%
over	$50M TO $100M	4.5%

These maximums shall be negotiated downward for services provided by the district.

CALCULATION OF ARCHITECT FEES

The approvable construction management fees and the general and special condition costs shall be deemed "construction contracts" for purposes of determining the appropriate architect fee for the project. For those projects with multi-prime contracts, the architect fee shall be based on each contract separately.

PROJECTS WHICH EXCEED THE SAB COST ALLOWANCE

If the aggregate of all acceptable bids exceed the Board's cost allowance as adjusted for CM fees and general conditions, the project is subject to existing board policies relating to bids which exceed the SAB cost standards. if the project is required to be rebid as a result of high bids, the Construction Manager will be required to assist the district and architect in reducing the scope of the project with no additional compensation.

CONTRACTS FOR CM

The district may utilize standard forms of agreements available from the Construction Management Association of America or the American Institute of Architects in either case, the district should rely on its legal counsel to insure that proper language is included in the agreement to meet the needs of the district. In addition, the district may utilize a model contract developed by the SAB.

In order for the SAB to approve funding for the contract, it must include, at a minimum the following:

1. The fee does not exceed that which is approvable by the SAB.
2. A provision for the assessment of adequate liquidated damages in the event the construction time requirement in the CM contract is exceeded and it is further determined that the delay is caused by the Construction Manager.
3. A provision for a 10% retention of CM fees.
4. The Construction Manager shall purchase and maintain insurance for protection from claims under workers' or workmen's compensation acts; claims for damages, because of bodily injury, including personal injury, sickness, disease or death from claims arising out of the performance of this Agreement and caused by negligent acts of omission for which the Construction Manager are legally liable.
5. The CM firm must provide evidence that it meets the minimum level of errors and omissions insurance or other bonding requirements as may be required by the SAB.

Once the district has selected a CM firm, the district will be required to submit a copy of the proposed contract, including MNV/DVBE documentation, and a certification that the terms and conditions of the contract are in accordance with the SAB guidelines.

The OLA shall review the CM contract and submittals within 15 business days of receipt. If a written response with an approval, rejection for modifications or clarification is not issued within that time period, the contract for the services shall be deemed acceptable. The OLA review of this contract for funding should not be construed as an agreement to the terms and conditions found in the contract.

REPORT OF THE EXECUTIVE OFFICER
State Allocation Board Meeting, September 25, 1996

AMENDMENT TO THE CONSTRUCTION MANAGEMENT POLICY

PURPOSE OF REPORT

Amend the existing construction management policy.

DESCRIPTION

Several school districts have indicated they have received Proposition 203 funds for a number of projects and will be unable to meet the 365 day time limit on apportionment without the assistance of construction management services.

The existing construction management policy provides that construction management contracts for post construction services must be executed prior to the Phase C approval of the project. No time line was addressed in that policy for the "construction phase" services.

It is proposed that the time be adjusted to permit the district to enter into a construction management contract for construction phase services and post construction services to just prior to the bid opening date. The other provisions of the construction management policy would still apply.

STAFF COMMENTS

At the direction of the State Allocation Board, the Legislative Implementation Committee is currently reviewing the construction management policy and is in the process of preparing an issue paper for the board.

RECOMMENDATION

Approve multi-prime construction management contracts for construction phase services and the post construction phase services provided they are executed prior to opening of bids and the Phase C was funded by Proposition 203 or later bond measures.

BOARD ACTION

In considering this Item, the Board adopted staff recommendation but advised that districts could request an extension of the 365 day time limit policy through the appeal process.